



SouthernCoastal^{FUND}

AGENDA & REPORTS

JANUARY 26, 2026

12:30 PM

LOCATION:

THE GREENVIEW INN AT EASTLYN GOLF COURSE

4049 ITALIA AVE

VINELAND, NJ 08361

STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETINGS ACT

NOTICE OF THIS MEETING WAS GIVEN BY (1) SENDING SUFFICIENT NOTICE HEREWITH TO THE ATLANTIC CITY PRESS.

(2) FILING ADVANCE WRITTEN NOTICE OF THIS MEETING WITH THE CLERK/ADMINISTRATOR OF EACH MEMBER AND (3) POSTING A COPY OF THE MEETING NOTICE ON THE PUBLIC BULLETIN BOARD OF ALL MEMBER MUNICIPALITIES AND SCHOOL BOARDS

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND AGENDA
MEETING: JANUARY 26, 2026
THE GREENVIEW INN AT EASTLYN GOLF COURSE, VINELAND NJ
12:30 PM

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

FLAG SALUTE

ROLL CALL OF THE 2025 EXECUTIVE COMMITTEE

Richard Davidson, Chair

Pasquale Yacovelli, Secretary

Jerry Velazquez, Executive Committee

Megan Duffield, Executive Committee

Laurie Ryan, Executive Committee

Scott Musterel, Executive Committee

Mark Mallet, Executive Committee

Frank Badessa, Executive Committee Alternate

Dennis Zakroff, Executive Committee Alternate

Kevin Smaniotto, Executive Committee Alternate

APPROVAL OF MINUTES: October 27, 2025 and November 10, 2025..... Appendix I

ADJOURN SINE DIE MEETING

MEETING OF FUND COMMISSIONERS CALLED TO ORDER

ROLL CALL OF ALL FUND COMMISSIONERS

| Group | Commissioner |
|--|----------------------|
| Absecon, City of | Jessica Snyder |
| Alloway Twp BOE | Shannon Dubois-Brody |
| Bridgeton BOE | Pasquale Yacovelli |
| Bridgeton City of | Kevin Rabago |
| Buena Borough | Cindi Holland |
| Buena Borough MUA | Cheryl Santore |
| Buena BOE | Dawn Leary |
| City of Brigantine | Mollye O'Neill |
| Cumberland, County of | Kevin Smaniotto |
| Cumberland County Charter School Network | Dennis Zakroff |
| Cumberland County Improvement Authority | Jerry Velasquez |
| CCTEC | Megan Duffield |
| Cumberland Regional BOE | Wayne Knight |
| Downe Twp BOE | Lisa DiNovi |
| EHT MUNI | Thomas D'Intino |
| Hopewell BOE | Lisa DiNovi |

| | |
|---------------------------------|-----------------------------|
| Lawrence Twp BOE | Lisa DiNovi |
| Longport, Borough of | Jenna Kelly |
| Lower Cape May Regional BOE | Mark Mallett |
| Lower Twp Elem BOE | |
| Margate, City of | David Elliot |
| Middle Twp BOE | Diane S. Fox |
| Millville BOE | Richard Davidson |
| Millville City of | Pamela Shapiro |
| Mullica Township | Monica Newton |
| Northfield City of | Mary Canesi |
| Ocean City BOE | Timothy Kelly |
| Penns Grove, Boro of | Tracy Marinaro |
| Penns Grove - Carneys Point BOE | Christina Hunt |
| Pittsgrove Twp | Charles Hughes |
| Salem County | Stacy Pennington |
| Somers Point BOE | Mark Leung |
| Upper Deerfield BOE | Frank Badessa |
| Upper Township BOE | Laurie Ryan |
| Vineland BOE | Scott Musterel |
| Vineland, City of | Robert Dickenson |
| Vineland Housing Authority | Wendy Hughes (Alternate) |
| Waterford Twp BOE | Christopher Eberly |
| West Cape May BOE | John Thomas |
| Woodstown Boro | Kristin Nixon |

ELECTION OF OFFICERS, EXECUTIVE COMMITTEE & ALTERNATES

Executive Director asks for nominations. Attorney swears in Officers and Executive Committee.
Oath in Appendix II

Nominating Committee Recommendation

Richard Davidson, Chair

Pasquale Yacovelli, Secretary

Jerry Velazquez, Executive Committee

Megan Duffield, Executive Committee

Laurie Ryan, Executive Committee

Scott Musterel, Executive Committee

Mark Mallet, Executive Committee

Frank Badessa, Executive Committee Alternate

Dennis Zakroff, Executive Committee Alternate

Kevin Smaniotto, Executive Committee Alternate

Thomas D'Intino, Executive Committee Alternate

MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER

ROLL CALL OF 2026 EXECUTIVE COMMITTEE

CORRESPONDENCE - Department of Banking and Insurance: Questionnaire and Response - *Appendix III*

PUBLIC COMMENT – *Agenda Items Only*

REPORTS:

EXECUTIVE DIRECTOR (PERMA)

Monthly Report.....**Page 5**

PROGRAM MANAGER- (Shared Health Alliance)

Monthly Report.....**Page 13**

GUARDIAN NURSES

Monthly Report.....**Page 22**

TREASURER – (Laracy Associates LLC/ Verrill & Verrill)

November 2025, December 2025 and January 2026 Bills List (TBD).....**Page 24**

November 2025 Treasurers Report.....**Page 28**

Confirmation of Claims Paid/Certification of Transfers

Ratification of Treasurers Report

ATTORNEY - (Marmero Law, LLC)

Monthly Report

NETWORK & THIRD-PARTY ADMINISTRATOR - (Aetna)

Monthly Report.....**Page 31**

NETWORK & THIRD-PARTY ADMINISTRATOR - (AmeriHealth)

Monthly Report.....**Page 35**

PRESCRIPTION ADMINISTRATOR - (Express Scripts)

Monthly Report.....**Page 39**

CONSENT AGENDA**Page 43**

Resolution 1-26: Professional Service Fees for 2026**Page 44**

Resolution 2-26: Designation of Service of Process**Page 48**

Resolution 3-26: Designation of Secretary as Custodian of Records**Page 49**

Resolution 4-26: Designation of Official Newspaper**Page 50**

Resolution 5-26: Designation of Regular Meeting Times and Place.....**Page 51**

Resolution 6-26: Designation of Bank Depositories & CMP**Page 52**

Resolution 7-26: Designation of Authorized Signatories**Page 57**

Resolution 8-26: Approval of Risk Management Plan.....**Page 58**

Resolution 9-26: Appointment of MRHIF Fund Commissioners**Page 72**

Resolution 10-26: Establishing a plan for Compensating Producers**Page 73**

Resolution 11-26: Authorizing Treasurer to Process Contracted

Payments and Expenses**Page 76**

Resolution 12-26: Adopting 2026 Wellness Grant Programs**Page 77**

Resolution 13-26: Approval of the November, December 2025 and January 2026

Bills List**Page 78**

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT - *Motion to Open*
Motion to Close

RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES
PERSONNEL - CLAIMS - LITIGATION

MEETING ADJOURNED

Southern Coastal Regional Employee Benefits Fund
Executive Director's Report
January 26, 2026

FINANCES & CONTRACTS

PRO FORMA REPORTS

- **Fast Track Financial Reports** – as of November 30, 2025 (page 8)
 - **Historical Income Statement**
 - **Consolidated Balance Sheet**
 - **Indices and Ratios Report**
 - **Budget Status Report**

2026 REORGANIZATION

The Reorganization resolutions are included in the consent agenda for approval. Please note the following that need attention:

Resolution 1-26 awards the 2026 contracts, all of which are consistent with the approved Requests for Proposals (RFPs) and the budget adopted last year. This resolution will be advertised in accordance with Public Contract Law.

Resolution 2-26 designates PERMA as the agent for the Fund to process of service.

Resolution 3-26 designates the elected Secretary as the Custodian of Fund Records. All records are retained at the Administrator's office and handles all OPRA requests on behalf of the Secretary.

Resolution 4-26 designates the Press of Atlantic City as the Official Fund Newspaper.

Resolution 5-26 sets meeting dates and times which will be posted on each entity's public bulletin board.

Resolution 6-26 sets for the Cash Management Plan and designates the bank depositories for 2026. The Cash Management Plan is a standard banking and investment policy and procedure that is used in other Joint Insurance Funds administered by PERMA. The list of authorized depositories has been updated.

In addition, revisions have been made to the Cash Management Plan that include setting a billing policy, inclusive of the interest penalty process. This plan has been reviewed by the Fund Treasurer and the Finance Committee.

Resolution 7-26 designates authorized signatories for Fund bank accounts.

Resolution 8-26 is the 2026 Risk Management Plan which outlines the Fund's stop loss limits, underwriting procedures, claim appeal processes, etc. This plan has been reviewed by the Fund Attorney.

The revisions include clarification for the following sections:

- Methods of assessing contributions to members

- Initial and renewal rating methodologies
- Plan documentation information

The revisions include the following additions:

- Enrollment audits
- Qualifying and clinical plan management

Resolution 9-26 appoints the Fund Commissioner and Alternative Fund Commissioner to the MRHIF. Currently Laurie Ryan and Megan Duffield are on the MRHIF Executive Committee.

Resolution 10-26 adopts the broker fees for each entity. Broker commissions will be paid directly to the firm through the Commission. Each entity's rates reflect its arrangement only.

Resolution 11-26 authorizes the Treasurer to pay contract fees and expenses during the months that the Fund does not meet, contingent upon ratification at the next meeting.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND - MEETING REPORT

The MRHIF met on December 10. Its major action item was to adopt its 2026 Budget as it was introduced in September.

The Express Scripts contract through the Level Pharmacy Coalition was extended for one final year due to the inability to issue a formal RFP. The Fund expects to begin the RFP process in early spring for 2027.

The Commissioners were also provided an update on the Audit of Express Scripts claims from 2024 which should be starting shortly.

2026 BILLING UPDATES

1. Billing Invoices:

A new process has been implemented to send monthly billing invoices. Instead of being sent via email, invoices will now be provided through a secure OneDrive link. A separate email containing an authentication password to access the file is provided; please note that this email message may be directed to your spam or junk folder, so be sure to check these folders if you haven't received the message. If you need assistance with accessing OneDrive, please contact the Client Services Team.

LOCKBOXES

As previously reported, the lockbox is now posted on the monthly invoices and is live for remittance of assessments.

| | |
|------------------|-------------------------------------|
| Lockbox Name | Southern Coastal Regional EBF |
| Remit to Address | PO Box 44721 Lancaster, PA 17604 |

NEW JERSEY HEALTH INSURANCE FUND MARKETING UPDATE

PERMA is pleased to unveil a new and refreshed online branding and marketing landing page for the New Jersey Health Insurance Funds, where our firm is privileged to serve as the appointed Executive Director. This replaces the Hi Fund website, providing an easy to navigate gateway to your Health Insurance Fund.

This new rebrand reflects PERMA's optimism for the future, showing our commitment to the on-going mission of delivering high value, affordable, and stable health benefit solutions.

2026 PERMA MANAGEMENT TEAM UPDATES

As we continue to prepare for the future, the Executive Director's office must continue to adapt and operate and achieve maximum productivity. As of January 1, 2026, Brandon Lodics transitioned into the role overseeing the financial strategy and performance of the Funds while also focusing on new products and services that can be implemented. Jim Rhodes has transitioned into the Executive Director's role, and he will oversee day-to-day management, regulatory, and governance.

We are excited as this update to the Executive Director's office will allow PERMA to continue to operate at maximum capacity, focusing on financial management and governance while being mindful of the complexities of the business.

PERMA, LLC NOTICE AND DISCLOSURE

Pursuant to N.J.A.C Title 11, Chapter 15, Subchapter 5, PERMA, LLC ("PERMA"), as administrator of the Southern Coastal Regional Employee Benefits Fund ("the Fund"), and its employees, officers and directors hereby provide notice that they have direct and indirect financial interests in Conner Strong & Buckelew Companies, LLC, which is a servicing organization for the Fund.

GASB 75 REPORTING

The Fund is contracted with an actuary to prepare GASB 75 reports for its medical members. If your audit requires a complete report or an update to the previous year's report, please contact Jordyn Robinson at jrobinson@permainc.com. Please note that during peak periods, report turnaround time may be up to six weeks.

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

FINANCIAL FAST TRACK REPORT

AS OF November 30, 2025

| | | THIS MONTH | YTD CHANGE | PRIOR YEAR END | FUND BALANCE |
|--|-------------------|--------------------|--------------------|--------------------|----------------------|
| 1. UNDERWRITING INCOME | 14,036,167 | | 151,209,211 | 926,259,102 | 1,077,468,313 |
| 2. CLAIM EXPENSES | | | | | |
| Paid Claims | 11,930,153 | | 142,209,294 | 808,940,023 | 951,149,317 |
| IBNR | (38,367) | | 929,772 | 14,762,045 | 15,691,817 |
| Less Specific Excess | (757) | | (3,311,921) | (24,919,514) | (28,231,435) |
| Less Aggregate Excess | - | | - | - | - |
| TOTAL CLAIMS | 11,891,029 | | 139,827,145 | 798,782,554 | 938,609,699 |
| 3. EXPENSES | | | | | |
| MA & HMO Premiums | 75,554 | | 730,150 | 3,067,771 | 3,797,921 |
| Excess Premiums | 487,428 | | 5,308,219 | 28,608,542 | 33,916,761 |
| Administrative | 1,103,511 | | 11,610,433 | 81,998,074 | 93,608,507 |
| TOTAL EXPENSES | 1,666,493 | | 17,648,801 | 113,674,388 | 131,323,189 |
| 4. UNDERWRITING PROFIT/(LOSS) (1-2-3) | 478,645 | | (6,266,736) | 13,802,161 | 7,535,425 |
| 5. INVESTMENT INCOME | 50,738 | | 631,869 | 4,038,432 | 4,670,301 |
| 6. DIVIDEND INCOME | - | | 1,285,285 | 3,105,977 | 4,391,262 |
| 7. STATUTORY PROFIT/(LOSS) (4+5+6) | 529,383 | | (4,349,582) | 20,946,570 | 16,596,988 |
| 8. DIVIDEND | - | | - | 28,208,936 | 28,208,936 |
| 9. Transferred Surplus IN | - | | - | - | - |
| 10. Transferred Surplus OUT | - | | - | 9,855,397 | 9,855,397 |
| STATUTORY SURPLUS (7-8+9) | 529,383 | | (4,349,582) | 2,593,032 | (1,756,551) |
| SURPLUS (DEFICITS) BY FUND YEAR | | | | | |
| Closed | Surplus | (5,432) | 960,559 | 6,217,982 | 7,178,541 |
| | Cash | (39,916) | 2,196,492 | 17,074,445 | 19,270,938 |
| 2024 | Surplus | (113,540) | 1,097,782 | (3,624,950) | (2,527,168) |
| | Cash | (199,998) | (9,762,302) | 7,178,623 | (2,583,679) |
| 2025 | Surplus | 648,356 | (6,407,924) | | (6,407,924) |
| | Cash | (4,640,354) | 4,980,730 | | 4,980,730 |
| TOTAL SURPLUS (DEFICITS) | 529,383 | | (4,349,582) | 2,593,032 | (1,756,551) |
| TOTAL CASH | | (4,880,269) | (2,585,080) | 24,253,069 | 21,667,989 |
| CLAIM ANALYSIS BY FUND YEAR | | | | | |
| TOTAL CLOSED YEAR CLAIMS | | 21,668 | 614,858 | 661,104,935 | 661,719,793 |
| FUND YEAR 2024 | | | | | |
| Paid Claims | | 268,660 | 15,266,429 | 125,570,897 | 140,837,326 |
| IBNR | | (147,620) | (14,688,234) | 14,762,045 | 73,811 |
| Less Specific Excess | | (757) | (1,202,950) | (2,655,323) | (3,858,273) |
| Less Aggregate Excess | | - | - | - | - |
| TOTAL FY 2024 CLAIMS | | 120,283 | (624,755) | 137,677,619 | 137,052,864 |
| FUND YEAR 2025 | | | | | |
| Paid Claims | | 11,639,825 | 126,320,017 | | 126,320,017 |
| IBNR | | 109,253 | 15,618,006 | | 15,618,006 |
| Less Specific Excess | | - | (2,100,980) | | (2,100,980) |
| Less Aggregate Excess | | - | - | | - |
| TOTAL FY 2025 CLAIMS | | 11,749,078 | 139,837,042 | | 139,837,042 |
| COMBINED TOTAL CLAIMS | 11,891,029 | | 139,827,145 | 798,782,554 | 938,609,699 |

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

Southern Coastal Regional Employee Benefits Fund
CONSOLIDATED BALANCE SHEET
AS OF NOVEMBER 30, 2025
BY FUND YEAR

| | COASTAL 2025 | COASTAL 2024 | CLOSED YEAR | FUND BALANCE |
|---------------------------------------|--------------------|--------------------|-------------------|--------------------|
| ASSETS | | | | |
| Cash & Cash Equivalents | 4,980,730 | (2,583,679) | 19,270,938 | 21,667,989 |
| Assesments Receivable (Prepaid) | 3,313,144 | 185,013 | - | 3,498,157 |
| Interest Receivable | - | - | 47 | 47 |
| Specific Excess Receivable | 1,040,316 | 4,535 | 4,759 | 1,049,610 |
| Aggregate Excess Receivable | - | - | - | - |
| Dividend Receivable | - | - | - | - |
| Prepaid Admin Fees | 4,185 | - | - | 4,185 |
| Other Assets | 873,920 | - | - | 873,920 |
| Total Assets | 10,212,295 | (2,394,131) | 19,275,743 | 27,093,907 |
| LIABILITIES | | | | |
| Accounts Payable | - | - | - | - |
| IBNR Reserve | 15,618,006 | 73,811 | - | 15,691,817 |
| A4 Retiree Surcharge | 830,675 | - | - | 830,675 |
| Dividends Payable | - | - | - | - |
| Retained Dividends | - | - | 12,097,202 | 12,097,202 |
| Accrued/Other Liabilities | 171,537 | 59,226 | - | 230,764 |
| Total Liabilities | 16,620,218 | 133,037 | 12,097,202 | 28,850,458 |
| EQUITY | | | | |
| Surplus / (Deficit) | (6,407,924) | (2,527,168) | 7,178,541 | (1,756,551) |
| Total Equity | (6,407,924) | (2,527,168) | 7,178,541 | (1,756,551) |
| Total Liabilities & Equity | 10,212,295 | (2,394,131) | 19,275,743 | 27,093,907 |
| BALANCE | | | | |

This report is based upon information which has not been audited nor certified
by an actuary and as such may not truly represent the condition of the fund.
Fund Year allocation of claims have been estimated.

Southern Coastal Regional Employee Benefits Fund

2025 Budget Report

AS OF NOVEMBER 30, 2025

| Expected Losses | Cumulative | Annual | Latest Filed | Cumulative | \$ Variance | % Varaiance |
|----------------------------------|--------------------|--------------------|--------------------|---|--------------------|-------------|
| | | | | Expensed | | |
| Medical Aetna 1/1 Renewal | 57,030,426 | 62,213,319 | 65,316,262 | | | |
| Medical Aetna 7/1 Renewals | 37,598,234 | 41,128,587 | 44,533,655 | | | |
| Medical AmeriHealth 1/1 Renewal | 22,409,661 | 24,431,622 | 21,524,593 | | | |
| Medical AmeriHealth 7/1 Renewal | 10,919,086 | 11,890,082 | 11,698,108 | | | |
| Subtotal Medical | 127,957,407 | 139,663,610 | 143,072,618 | 134,137,825 | (6,162,606) | -5% |
| Prescription Claims 1/1 Renewals | 1,928,779 | 2,105,363 | 2,131,948 | | | |
| Prescription Claims 7/1 Renewals | 2,825,107 | 3,101,788 | 3,427,005 | | | |
| Less Formulary Rebates | (1,521,242) | (1,666,287) | (1,778,865) | | | |
| Subtotal Prescription | 3,232,644 | 3,540,864 | 3,780,088 | 5,611,962 | (2,379,318) | -74% |
| Dental Claims 1/1 Renewals | 11,844 | 12,957 | 12,645 | | | |
| Dental Claims 7/1 Renewals | 68,666 | 71,900 | 102,236 | | | |
| Subtotal Dental | 80,510 | 84,857 | 114,881 | 87,256 | (6,746) | -8% |
| Vision Claims 1/1 Renewals | 0 | 0 | 0 | | | |
| Vision Claims 7/1 Renewals | 17,812 | 17,812 | 41,203 | | | |
| Subtotal Vision | 17,812 | 17,812 | 41,203 | Included in Medical | | |
| Subtotal Claims | 131,288,373 | 143,307,143 | 147,008,790 | 139,837,042 | (8,548,669) | -7% |
| Rate Stabilization | 1,469,489 | 1,603,079 | 1,500,000 | 0 | 1,469,489 | 100% |
| DMO Premiums | 0 | 0 | 0 | 487 | (487) | #DIV/0! |
| Medicare Advantage | 729,239 | 804,557 | 693,480 | 729,663 | (424) | 0% |
| Reinsurance | | | | | | |
| Specific | 5,308,370 | 5,791,328 | 5,756,398 | | | |
| Subtotal Reinsurance | 5,308,370 | 5,791,328 | 5,756,398 | 5,308,219 | 152 | 0% |
| Total Loss Fund | 138,795,472 | 151,506,107 | 154,958,668 | 145,875,411 | (7,079,939) | -5% |
| Expenses | | | | | | |
| Legal | 24,319 | 26,530 | 26,530 | 24,319 | 0 | 0% |
| Treasurer | 18,966 | 20,690 | 20,451 | 18,948 | 18 | 0% |
| Executive Director | 1,544,693 | 1,685,539 | 1,672,434 | 1,544,693 | 0 | 0% |
| Program Manager | 2,940,975 | 3,209,136 | 2,983,415 | 2,940,975 | - | 0% |
| Brokerage | 2,293,583 | 2,500,308 | 2,496,329 | 2,293,583 | - | 0% |
| TPA - Med Aetna | 1,809,634 | 1,975,440 | 2,041,618 | Included below in Med AmerihealthAdmin | | |
| TPA - Med AmeriHealth Admin | 616,053 | 670,892 | 722,485 | 2,424,175 | 2,648 | 0% |
| Guardian Nurses | 653,603 | 713,069 | 708,768 | 649,981 | 3,622 | 0% |
| TPA - Dental | 5,594 | 5,955 | 7,400 | 5,594 | 0 | 0% |
| TPA - Vision | 1,136 | 1,136 | 2,462 | Included below in Med AmerihealthAdmin | | |
| Actuary | 11,000 | 12,000 | 12,750 | 11,685 | (685) | -6% |
| Auditor | 19,250 | 21,000 | 22,032 | 19,250 | 0 | 0% |
| Retiree First | 0 | 0 | 0 | 35,880 | (35,880) | -100% |
| QPA | 0 | 0 | 0 | 2,333 | (2,333) | -100% |
| Subtotal Expenses | 9,938,806 | 10,841,696 | 10,716,673 | 9,971,416 | (32,610) | 0% |
| Contingency | 113,233 | 123,527 | 123,527 | 22,068 | 91,165 | 81% |
| Wellness Program | 251,133 | 274,143 | 269,835 | 251,133 | (0) | 0% |
| Claim Audits | 36,667 | 40,000 | 40,000 | 0 | 36,667 | 100% |
| Plan Documents | 11,458 | 12,500 | 12,500 | 11,458 | 0 | 0% |
| Affordable Care Act Taxes | 34,673 | 37,827 | 37,599 | 51,024 | (16,351) | -47% |
| Retiree Surcharge | 1,700,596 | 1,856,533 | 1,909,575 | 1,700,596 | (0) | 0% |
| Total Expenses | 12,086,565 | 13,186,226 | 13,109,710 | 12,007,695 | 78,870 | 1% |
| | | 10 | | | | |
| Total Budget | 150,882,037 | 164,692,333 | 168,068,378 | 157,883,106 | (7,001,069) | -5% |

| SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND | | | | | | | | | | | | | | |
|--|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|------|--|
| RATIOS | | | FY2025 | | | | | | | | | | | |
| INDICES | 2024 | | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | |
| Cash Position | 24,253,069 | \$ 24,211,222 | \$ 29,522,722 | \$ 30,022,365 | \$ 30,159,030 | \$ 27,743,224 | \$ 23,714,001 | \$ 23,481,301 | \$ 24,429,367 | \$ 27,269,973 | \$ 26,548,257 | \$ 21,667,989 | | |
| IBNR | 14,762,045 | \$ 15,820,891 | \$ 17,002,414 | \$ 16,922,983 | \$ 16,815,209 | \$ 16,373,652 | \$ 16,129,861 | \$ 15,994,152 | \$ 15,777,957 | \$ 15,765,721 | \$ 15,730,184 | \$ 15,691,817 | | |
| Assets | 30,658,704 | \$ 31,778,513 | \$ 33,452,792 | \$ 34,007,542 | \$ 33,297,700 | \$ 31,175,787 | \$ 31,273,223 | \$ 28,941,510 | \$ 27,188,739 | \$ 26,369,536 | \$ 26,462,441 | \$ 27,093,907 | | |
| Liabilities | 28,065,672 | \$ 29,389,440 | \$ 30,789,167 | \$ 30,745,582 | \$ 30,722,278 | \$ 30,482,446 | \$ 30,408,716 | \$ 28,588,549 | \$ 28,577,625 | \$ 28,602,588 | \$ 28,748,375 | \$ 28,850,458 | | |
| Surplus | 2,593,032 | \$ 2,389,073 | \$ 2,663,626 | \$ 3,261,960 | \$ 2,575,421 | \$ 693,341 | \$ 864,507 | \$ 352,961 | \$ (1,388,887) | \$ (2,233,052) | \$ (2,285,934) | \$ (1,756,551) | | |
| Claims Paid -- Month | 10,640,472 | \$ 11,254,396 | \$ 11,567,667 | \$ 11,769,200 | \$ 12,944,362 | \$ 14,403,272 | \$ 12,823,922 | \$ 14,772,872 | \$ 14,265,019 | \$ 13,170,481 | \$ 13,307,950 | \$ 11,930,153 | | |
| Claims Budget -- Month | 11,367,325 | \$ 11,919,745 | \$ 11,895,378 | \$ 11,879,406 | \$ 11,883,438 | \$ 11,871,816 | \$ 11,899,240 | \$ 12,000,092 | \$ 11,910,524 | \$ 12,023,474 | \$ 11,995,726 | \$ 12,009,534 | | |
| Claims Paid -- YTD | 140,157,816 | \$ 11,254,396 | \$ 22,822,063 | \$ 34,591,263 | \$ 47,535,625 | \$ 61,938,896 | \$ 74,762,819 | \$ 89,535,691 | \$ 103,800,710 | \$ 116,971,191 | \$ 130,279,141 | \$ 142,209,294 | | |
| Claims Budget -- YTD | 132,721,348 | \$ 11,919,745 | \$ 23,815,123 | \$ 35,694,529 | \$ 47,577,967 | \$ 59,449,783 | \$ 71,349,023 | \$ 83,349,115 | \$ 95,259,639 | \$ 107,283,113 | \$ 119,278,839 | \$ 131,288,373 | | |
| RATIOS | | | | | | | | | | | | | | |
| Cash Position to Claims Paid | 2.28 | 2.15 | 2.55 | 2.55 | 2.33 | 1.93 | 1.85 | 1.59 | 1.71 | 2.07 | 1.99 | 1.82 | | |
| Claims Paid to Claims Budget -- Month | 0.94 | 0.94 | 0.97 | 0.99 | 1.09 | 1.21 | 1.08 | 1.23 | 1.20 | 1.1 | 1.11 | 0.99 | | |
| Claims Paid to Claims Budget -- YTD | 1.06 | 0.94 | 1.0 | 1.0 | 1.0 | 1.0 | 1.1 | 1.07 | 1.09 | 1.09 | 1.09 | 1.09 | 1.08 | |
| Cash Position to IBNR | 1.64 | 1.53 | 1.74 | 1.77 | 1.79 | 1.69 | 1.47 | 1.47 | 1.55 | 1.73 | 1.69 | 1.38 | | |
| Assets to Liabilities | 1.09 | 1.08 | 1.09 | 1.11 | 1.08 | 1.02 | 1.03 | 1.01 | 0.95 | 0.92 | 0.92 | 0.94 | | |
| Surplus as Months of Claims | 0.23 | 0.20 | 0.22 | 0.27 | 0.22 | 0.06 | 0.07 | 0.03 | -0.12 | -0.19 | -0.19 | -0.15 | | |
| IBNR to Claims Budget -- Month | 1.30 | 1.33 | 1.43 | 1.42 | 1.42 | 1.38 | 1.36 | 1.33 | 1.32 | 1.31 | 1.31 | 1.31 | | |

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
Year: 2026

| <u>Yearly Items</u> | <u>Filing Status</u> |
|----------------------------------|---------------------------|
| Budget | Filed |
| Assessments | Filed |
| Actuarial Certification | Filed |
| Reinsurance Policies | Filed |
| Fund Commissioners | To Be Filed Pending Reorg |
| Fund Officers | To Be Filed Pending Reorg |
| Renewal Resolutions | Filed |
| Indemnity and Trust | Filed |
| New Members | To Be Filed |
| Withdrawals | N/A |
| Risk Management Plan and By Laws | To Be Filed Pending Reorg |
| Cash Management Plan | To Be Filed Pending Reorg |
| Unaudited Financials | Filed |
| Annual Audit | 2025 To be filed |
| Budget Changes | N/A |
| Transfers | N/A |
| Additional Assessments | N/A |
| Professional Changes | N/A |
| Officer Changes | N/A |
| RMP Changes | N/A |
| Bylaw Amendments | N/A |
| Contracts | To be Filed Pending Reorg |
| Benefit Changes | N/A |

| Contract | Professional | Contract | Insurance | Contract Term |
|--------------------|------------------------|----------|-----------|----------------------|
| Executive Director | PERMA | Y | Y | 1/1/2025-12/31/2027 |
| Program Manager | Shared Health Alliance | Y | Y | 1/1/2025-12/31/2027 |
| Attorney | Marmero Law | Y | Y | 1/1/2025-12/31/2027 |
| Auditor | Bowman & Company | Y | Y | 1/1/2025-12/31/2027 |
| Actuary | John Vataha | Y | Y | 1/1/2025-12/31/2027 |
| Treasurer | Matt Laracy | Y | Y | 1/1/2025-12/31/2027 |
| Deputy Treasurer | Verrill & Verrill | Y | Y | 1/1/2025-12/31/2027 |
| Medical TPA | Aetna | Y | Y | |
| Medical TPA | AHA | Y | Y | |
| Nurse Advocacy | Guardian Nurses | Y | Y | |
| Wellness | Advanta | Y | Y | 1/1/2024 -12/31/2026 |

January 26, 2026

Prospects:

| | |
|---|----------------------|
| GROUPS WITH INITIAL OUTREACH DISCUSSIONS | |
| GROUPS WITH CLAIMS REQUESTED/PENDING | |
| NUMBER OF GROUPS UNDER REVIEW WITH UNDERWRITING | none |
| PROPOSALS PENDING | none |
| PROPOSALS RELEASED | No new |
| GROUPS SOLD | 6 (effective 1/1/26) |
| GROUPS WITH UNFAVORABLE CLAIMS/POOR RISK | |

Coastal Fund Meeting Dates:

- January 26, 2026
- March 16, 2026
- June 1, 2026
- July 27, 2026
- September 28, 2026
- October 26, 2026
- January 25, 2027

Coastal Fund Brokers:

- Allen Associates
- AR Fanucci Insurance
- Brown & Brown
- J Byrne Agency
- Conner Strong & Buckelew
- Cornerstone Insurance Group
- Glenn Insurance
- Hardenbergh Insurance Group
- Hafetz Insurance
- Insurance Solutions Inc
- PBC (Professional Benefit Consultants)

Executive Committee:

- Richard Davidson, Chair
- Pat Yacovelli, Secretary
- Jerry Velazquez, Executive Committee
- Megan Duffield, Executive Committee
- Laurie Ryan, Executive Committee
- Scott Musterel, Executive Committee
- Mark Mallet, Executive Committee
- Frank Badessa, Executive Committee Alternate
- Dennis Zakroff, Executive Committee Alternate
- Kevin Smaniotto, Executive Committee Alternate

2025 Committees:

FINANCE & CONTRACTS

- Richard Davidson – Chair
- Jerry Velazquez
- Scott Musterel

OPERATIONS & NOMINATIONS

- Pat Yacovelli – Chair
- Jerry Velazquez
- Mark Mallet

WELLNESS & CLAIMS

- Laurie Ryan – Chair
- Megan Duffield
- Pat Yacovelli

WELLNESS COMMITTEE UPDATE:

Please visit www.coastalhif.com/wellness to review the wellness grant guidelines and information needed to submit a new application. You can also find information on programs like Biometric Screenings from Health Fairs Direct, the wellness tracking app from Advanta Health Solutions, and many other resources at www.coastalhif.com/wellness/resources. If you have any questions, feel free to contact us.

2026 GRANT SUBMISSION DATES (WINTER DEADLINE NOW PASSED – SPRING DEADLINE: MAY 15)

2025 was an outstanding year for wellness across our HIF, with record participation and engagement. Building on that success, we've already received eight applications this cycle and anticipate similar interest again. Our budget planning ensures that every group can apply without concern about funding availability, with any unused funds returning to the contingency pool.

If your wellness program began last summer or you missed the winter submission deadline, ***you can still apply by May 15, 2026***. Applications submitted by this date will be reviewed at the June meeting, with approved programs set to launch on July 1, 2026.



| 2026 COASTAL WELLNESS GRANTS | | | | | | |
|------------------------------|-----------------------|-------------------------|------------------------------------|--------------------------------|------------------------|---|
| <u>Group Name</u> | <u>Fund Allowance</u> | <u>Amount Requested</u> | <u>Date Submitted to Committee</u> | <u>Date Committee Approved</u> | <u>Amount Approved</u> | <u>Remaining After Approved Amounts</u> |
| | | | | | | |
| Vineland BOE | \$30,750 | \$25,200 | 12/1/25 | 12/2/25 | \$25,200 | |
| Upper Twp BOE | \$9,620 | \$9,630 | 12/1/25 | 12/2/25 | \$9,630 | |
| Millville BOE | \$23,905 | \$23,905 | 12/1/25 | 12/2/25 | \$23,905 | |
| Egg Harbor Twp | \$11,040 | \$11,000 | 12/1/25 | 12/2/25 | \$11,000 | |
| Buena Reg BOE | \$10,620 | \$10,620 | 12/1/25 | 12/2/25 | \$10,620 | |
| Cumberland Reg BOE | \$7,670 | \$7,670 | 12/1/25 | 12/2/25 | \$7,670 | |
| Alloway Twp BOE | \$2,250 | \$2,250 | 12/1/25 | 12/9/25 | \$2,250 | |
| City of Margate | \$6,370 | \$6,370 | 12/1/25 | 12/9/25 | \$6,370 | |
| TOTAL TO DATE | \$102,225 | \$96,645 | | | \$96,645 | \$185,125 |

RAMP HEALTH PILOT PROGRAM:

2026 has brought exciting new wellness initiatives, including the launch of the Ramp Health Pilot Program. Just a few months in, both Millville BOE and The Authority are already seeing great results. Representatives from Ramp Health will be joining us to share more about how the program operates and to answer any questions you may have.

ACTIVEFIT PORTAL IS NOW LIVE:

Advanta now offers access to the ActiveFit+ portal for each group in the Coastal HIF. You can use this to check out your group's participation levels and overall analytics. To learn how this works please reach out to corey@shanj.com or directly to jsalo@advantahealth.com.

REIMBURSEMENT REMINDER:

We have observed that some groups applying for grants are not requesting reimbursements, indicating they may not be proceeding with their wellness plans. This is unfair to other groups who wish to apply when funds are depleted. If you haven't requested funds for previous years, please do so by filling out the form on coastalhif.com and sending to corey@shanj.com. Below are the guidelines for how to submit. We have included the entire form on the following page.

Submission Checklist

- *The Fund will reimburse approved expenses by submitting this completed voucher with required documents. Please include this signed voucher along with required back up documents/receipts. Without the below items, reimbursement will be denied:*
 - *Signed Purchase Orders for all items & Vendor Invoices if applicable OR purchase receipts (must match PO) & Check Copies or proof of payment for each item listed on voucher*

MORE PROOF THAT WELLNESS WORKS:

We analyzed the Medical L/R of groups active in the wellness program from 2021 to 2023 and found the following:

| Groups that applied in 2022-2023: | Groups that <u>did not</u> apply in 2022-2023: | Groups that applied between 2021-2023: * | Groups <u>not</u> consistent between 2021-2023: | Groups w/ over 20% Advanta participation: |
|-----------------------------------|--|--|---|---|
| 87% | 111% | 93% | 119% | 82% |

*had to apply for at least 2 years

- There is a 24% difference between groups that applied in 2022-2023 and those that did not.
- There is a 26% difference between groups that applied consistently over three years versus those that did not.

Advanta, with the help of the Validation Institute, studied our Medical Loss Ratio data relative to their active users and found that groups utilizing Advanta Health's ActiveFit+ platform report an average MLR savings of 10.4% in the first year, with increased savings correlating to higher participant enrollment.

Reminder: Please visit the Coastal HIF website for more details on how to apply, what is eligible, ideas for an application and additional resource information. You can always contact corey@shanj.com us for any assistance that you might need. Here's the website link: <https://coastalhif.com/wellness/application>

GUARDIAN NURSES:

MEET THE COASTAL FUND DEDICATED GUARDIAN NURSES

Paula Spector, RN
609-276-5001
pspector@guardiannurses.com

Rebecca Parkerson, RN
609-276-4990
rparkerson@guardiannurses.com

Sarah Fiske, RN
856-239-3823
sfiske@guardiannurses.com

Also attached is the most recent Guardian Nurses newsletter "The Flame"

ADMINISTRATIVE REMINDERS & UPDATES:

- **Broker Contact Information** - Please direct any escalated claims, benefit coverages, prescription coverage, Medicare advantage or appeal related questions to our dedicated Benefit Specialists as follows: MaryBeth Anglani marybeth@allenassoc.com , or Annie Jimenez annie@allenassoc.com .
- **Monthly Billing** -As a reminder, please be sure to check your monthly invoice for accuracy. If you find a discrepancy, please report it to the Coastal Fund enrollment team. The Fund's policy is to limit retro corrections, including terminations, to 60 days. We have noticed an increase in requests for enrollment changes, billing changes, terminations and additions well past the 60-day time frame. Moving forward, it is of the utmost importance to review bills for rate and enrollment accuracy on a monthly basis. If there is an error, please bring it to our attention.
- System training (**new and refresher**) is provided to all contacts with WEX access **every 3rd Wednesday at 10AM**. Please contact HIFtraining@permainc.com for additional information or to request an invite.
 - *In the subject line of the email, please include: Training – Fund Name and Client Name. Please be sure to add the date of the training you would like to attend in your email so an invite can be sent.*
- **PARTIAL MONTH ENROLLEMNTS REMINDER>>**When processing enrollments and terminations, the Fund will charge a member for a full month rate for an employee that is enrolled between the 1st and the 15th of the month but will charge the member in the following month if an enrollment occurred between the 16th and the 31st of the month. If a member should term between the 1st and the 15th of the month, the Fund will not charge the member a rate for the enrollment but will charge a full month rate if a member terms between the 16th and the 31st of the month.
- **WEX PORTAL AND BILLING ISSUES:** The following emails should be used:
 - Marlene Robinson, mrobinson@permainc.com, 856-552-4818
 - Michele McKeever, mmckeever@permainc.com, 856-479-2160

OPERATIONAL UPDATES:

Retiree First: The Coastal Fund is now working with Retiree First. Retiree First will add another layer of support for the Medicare Retiree population. Letters were mailed out to the current Medicare Advantage population making them aware of Retiree First as a resource.

Attached is a Retiree First flyer sharing their toll-free number 1-855-257-7195.

They will be available to help the Medicare Advantage population. Just some of the support they will offer is:

- Plan Questions
- Outreach to Providers and Pharmacies (if applicable)
- Mail Order Assistance
- Formulary Lookup
- Medical and Prescription Billing Issues (if applicable)
- Updating Personal Information Changes

2026 WEX Coupon Book Mailing - As a result of a technical issue related to enhancements to the WEX coupon generation process, we have been advised there will be delays in the distribution of the 2026 coupons. The following steps have been taken to address the coupon delay:

- Ongoing communications with WEX senior leadership to receive updates on the progress coupon distribution for the 2026 program year
- Communication to all Fund brokers to advise their respective clients of the expected delays
- Fund service team prepped to address questions from Fund members
- Members should continue to pay based on 2025 coupons which will be reconciled once the 2026 coupons are issued
- Members coverage will not be impacted

LEGISLATIVE UPDATES:

2025 LEGISLATIVE REVIEW

MEDICAL AND RX REPORTING: None

NO SURPRISE BILLING AND TRANSPARENCY ACT –

Effective January 1, 2026:

As previously reported, the Federal No Surprises Act has resulted in the reprocessing of several Million dollars of claims for the HIFs statewide. While the State program does not remove the exposure to these types of claims reprocessing, it should allow for more predictability and less backlog and surprise cash exposure going forward. As a result of the transition, enrolled members will be receiving new ID cards from Aetna prior to January 1st. subscriber ID numbers and Fund member group numbers will not be changing.

INDUSTRY UPDATES

- Food and Drug Administration approved the first oral version of Wegovy, Novo Nordisk's blockbuster GLP-1 weight-loss drug. This marks the first GLP-1 approved for weight loss in pill form. A competing oral GLP-1 from Eli Lilly is expected to receive approval in the coming months.

VENDOR UPDATES

AETNA UPDATES: NONE

AMERIHEALTH UPDATE: NONE

EXPRESS-SCRIPTS UPDATE:

2026 National Preferred Formulary (NPF)/Exclusion/SaveOn Lists – Effective 1/1/2026 (Reports Attached)

- **NPF – See Attached**
- **NPF Exclusions list – See attached**
- **SaveOn list – See attached**
 - Drugs highlighted in green (39) have been added effective 1/1/26
 - Drugs highlighted in red (14) were be removed effective 1/1/26
 - Impacted members will continue to receive the drugs through Accredo Specialty pharmacy but will be required to pay their applicable copay starting 1/1/26

All impacted members were sent communications from ESI letting them know about the change(s) to their medications. The communications also include preferred alternatives medication(s). We recommended impacted members share the communication with their provider to discuss next steps. Those that are unable to take the preferred alternative medication(s) will need an approved PA to continue to take their current medication(s).

Pharmacy – Express Scripts (ESI)

- With absence from plan changes, it is clear the Fund needs to address the rising utilization and associated costs with GLP-1 medications used specifically for weight loss. The following strategies are being evaluated for their efficacy and will be presented formally upon the conclusion of the evaluation
 - Implement tighter, clinically grounded utilization management protocols for GLP-1 medications used specifically for weight loss
 - Plan design options to exclude GLP-1 medications for weight loss on the Fund member level
 - Plan design options for increased member cost share for GLP-1 medications for weight loss on the Fund member level
 - Direct to consumer GLP-1 acquisition channel options

APPEALS & IRO's (Independent Review Organization) (as of 1.13.26) –

Carrier Appeals

| Submission Date | Appeal Type | Appeal Number | Reason | Determination | Determination Date |
|-----------------|---------------|--------------------|--------------------|---------------|--------------------|
| 10/22/2025 | Medical/Aetna | COASTAL 2025 10 01 | Anesthesia | Upheled | 11/08/2025 |
| 11/07/2025 | Medical/Aetna | COASTAL 2025 11 01 | Anesthesia | Upheled | 11/27/2025 |
| 12/30/2025 | Medical/Aetna | COASTAL 2025 12 02 | Anesthesia | Upheled | 01/13/2026 |
| 12/30/2025 | Medical/Aetna | COASTAL 2025 12 03 | Surgery | Upheled | 01/13/2026 |
| 01/01/2026 | Medical/Aetna | COASTAL 2026 01 01 | Anesthesia | Upheled | 01/13/2026 |
| 01/01/2026 | Medical/Aetna | COASTAL 2026 01 02 | Anesthesia | Upheled | 01/13/2026 |
| 01/02/2026 | Medical/Aetna | COASTAL 2026 01 03 | Anesthesia | Upheled | 01/13/2026 |
| 01/02/2026 | Medical/Aetna | COASTAL 2026 01 04 | Emergency Services | Upheled | 01/13/2026 |
| 01/05/2026 | Medical/Aetna | COASTAL 2026 01 05 | Anesthesia | Upheled | 01/13/2026 |
| 01/08/2026 | Medical/Aetna | COASTAL 2026 01 06 | Anesthesia | Upheled | 01/13/2026 |

IRO Submissions:

| Submission Date | Appeal Type | Appeal Number | Reason | Determination | Determination Date |
|-----------------|---------------|--------------------|---------|---------------|--------------------|
| 01/13/2026 | Medical/Aetna | COASTAL 2025 12 03 | Surgery | Under Review | |

Healthcare News and Tips

January 13, 2026

Besides coming down with a nasty cold the last two weeks—which was a very clear reminder of how much we rely on feeling well—I've had a few other quiet prompts that January is a good time to turn our attention back to routine health screenings. An eye exam that had been overdue. A mammogram I kept meaning to schedule. A routine dental visit that somehow kept sliding to the bottom of the list.

None of it felt urgent. I felt fine. Life was full. And that's often how preventive care gets postponed—not out of neglect, but out of normal, busy living.

Preventive care isn't about waiting for something to feel wrong. It's about checking in before it does.

Many common health issues develop slowly and quietly, without symptoms that demand immediate attention.

This month's issue of ***The Flame*** is simply an invitation to reset. To schedule the things we've been meaning to schedule. Because preventive care only works if it happens—and January



Most of us agree preventive care is a good idea.

We believe in it. We support it. We fully intend to get to it... eventually.

And yet, preventive care is often the first thing we postpone when life gets busy—which, conveniently, is always.

Annual physicals get delayed. Screenings slide to the bottom of the list. That "I should probably mention this" symptom never quite makes it into the appointment. Not because we don't care, but because nothing feels urgent. And when nothing feels urgent, prevention quietly loses its power.

When Prevention Turns into Procrastination

Preventive care works best when it happens before something feels wrong. That's the entire point. But many people wait until a test becomes overdue, a symptom becomes louder, or a problem announces itself with enthusiasm.

Common reasons people postpone:

- "I feel fine."
- "I don't have time."
- "I'll do it after this busy stretch."
- "It's probably nothing."
- "I don't want to deal with it right now."

gives us a natural moment to begin again.



Schedule that screening!

Betty
Betty Long
President/CEO

Commonly Postponed Preventive Screenings

(A.k.a. "The ones people mean to schedule... eventually")

- **Annual physical exam**

Even when you "feel fine," this is where trends (blood pressure, weight, labs) get spotted early.

- **Blood pressure & cholesterol checks**

Often silent for years. Frequently discovered after they've already done some damage.

- **Cancer screenings**

Including mammograms, colonoscopies, stool-based tests, Pap tests, prostate discussions, and skin checks—many of which are delayed due to inconvenience, not risk.

- **Bone density screening**

Especially postponed by women, despite fracture risk rising quietly with age.

- **Vision and hearing exams**

Changes are gradual, so people adapt instead of evaluating—until safety or quality of life is affected.

- **Vaccinations & boosters**

None of these are unreasonable. But over time, postponement shifts preventive care from protective to reactive—and that's when costs, complexity, and stress tend to increase. Because if you're trying to get an appointment in a hurry, it's likely you're going to be heading to urgent care or the emergency room.

The Sneaky Nature of 'Nothing's Wrong'

Some of the most important conditions don't announce themselves loudly. High blood pressure. Elevated cholesterol. Early diabetes. Bone loss. Certain cancers. These often progress quietly, without pain or drama, until they don't.

Preventive screenings and routine checkups exist because waiting for symptoms is often waiting too long. They're not designed to find problems in people who feel unwell—they're designed to catch changes in people who feel just fine.

In other words, "I feel okay" is not a disqualifier. It's the target audience.

The Myth of the 'Perfect Time'

Many people delay preventive care waiting for the right moment—less work stress, better weather, a calmer calendar. That moment is elusive. Life rarely hands us a blank week and a gentle nudge.

The truth? Preventive care doesn't require perfection. It requires scheduling. One appointment. One conversation. One test. Small steps done imperfectly are far more effective than perfect intentions postponed indefinitely.

Prevention Saves More Than Money

Yes, preventive care can reduce long-term healthcare costs—but its real value shows up elsewhere:

- Fewer surprises
- More options if something is found
- Less urgent decision-making
- More control over next steps

Early detection often means simpler treatment, more choices, and better outcomes. It also means less time spent navigating the healthcare system under pressure—a scenario no one enjoys.

A Simple Reset

If preventive care has slipped off your radar, you don't need a full health overhaul. Start small:

- Schedule one overdue appointment
- Get one screening you've been postponing
- Write down the symptom you've been ignoring and bring it up

Prevention isn't about doing everything at once. It's about not doing nothing for too long.

Your future self—the one with fewer complications and more options—will be glad you didn't wait.

Flu, shingles, pneumonia, tetanus—often skipped because they’re “not urgent,” until suddenly they are. (There’s still time to get that flu shot!)

Lighting your way
through the
healthcare maze.®

Guardian Nurses Healthcare Advocates

215-836-0260 | Toll Free 888-836-0260

info@guardiannurses.com | GuardianNurses.com



Executive Summary

Reporting on dates: 10/1/25 – 12/31/25

This report shows how our nurses improve care, enhance member experience, and reduce costs. Interventions and outcomes estimate projected cost savings/avoidance and are **highlighted in green**.

Highlights:

- Significant reduction in avoidable readmissions (see below)
- Strong projected cost savings related to expert care coordination - **\$263,985.00**

Improving Care: Cost Avoidance

Goals: Improve timeliness, appropriateness, and quality of care

Acute and Chronic Care Programs

- 394 cases supported (328 unique members); 70% Engagement Rate
- 277 referrals; 199 mobilizations
- 167 inpatients

Inpatient Impact: Among **167 inpatients with a 67% engagement rate**, nurses coordinated in hospital/facility care interventions for **112 members**, including transfers to appropriate levels of care, preventing projected readmissions. Significance of high engagement and proactive coordination reduce readmissions, ensure safe transitions, and improves the quality outcomes for hospitalized members.

Improving Members' Experience: Cost Avoidance & Containment

Goals: Positive clinical outcomes, accessibility and equality, patient centered goals

- Coordinating outpatient care for **161 members** including pediatric and complex/chronic diagnosis
- One referral to Guardian Nurses Social Worker

Impact of Care Coordination: Nurses delivered **346 clinical and social interventions** — This work shows the breadth of clinical advocacy: timely access, preventing delays, connecting members to the right care, reflects both immediate impact (expedited/urgent needs, second opinions) and long-term support (addressing prevention, gaps in care, appropriate level of care, clinical and community resources,).

Managing or Reducing Cost Interventions & Outcomes: Cost Savings & Avoidance

Goals: Prevent unnecessary hospitalizations, ICU admissions and bounce backs

Projected Cost Savings

- **19 Prevented/Projected ER Visit:** avg. cost per visit **\$2,715**- **Projected savings of \$51,585** (Smith, 2025)
- **5 Prevented/Projected Admissions:** avg cost per admission **\$30,000**-**Projected savings of \$150,000** (Bengfort, 2024)
- **4 Prevented/Projected Readmissions:** avg cost per readmission **\$15,000**- **Projected savings of \$60,800** (Weiss & Jiang, 2018)
- **4 Prevented/Projected UC Visits:** avg. cost of per visit **\$400**- **Projected savings of \$1,600** (FAIR Health Consumer, 2025)

Projected Cost Avoidance

- **18 readmissions -- out of 167 admissions (11% readmission rate). Commercial benchmark -14.6% expected vs. actual (24 vs 18)**
- **Projected Cost avoidance: \$91,200 (based on \$15,200 average admission)** (Weiss & Jiang, 2018)

Respectfully submitted,

Rebecca Czarkowski

Rebecca Czarkowski, MSN, RN
Vice President

References:

Bengfort, H. (2024, January 18). *Infographic: How much does a hospital stay cost?* Health Benefits: PeopleKeep. <https://www.peoplekeep.com/blog/infographic-how-much-does-a-hospital-stay-cost>

Definitive Healthcare. (2024, October 28). *Top U.S. hospitals by readmission scores.* Definitive Healthcare. <https://www.definitivehc.com/resources/healthcare-insights/top-hospitals-readmission-scores>

FAIR Health Consumer. (2025). *Medical cost lookup: ZIP 11790 – Suffolk County, NY.* FAIR Health. <https://fairhealthconsumer.org>

Smith, B. (2025, February 25). *Emergency room visit cost with and without insurance (2025 update).* Mira Health. <https://www.talktomira.com/post/how-much-does-an-er-visit-cost>

Weiss, A. J., & Jiang, H. J. (2018). *Overview of clinical conditions with frequent and costly hospital readmissions by payer (Statistical Brief #278).* Agency for Healthcare Research and Quality. <https://www.hcup-us.ahrq.gov/reports/statbriefs/sb278-Clinical-Conditions-Readmissions-by-Payer.pdf>

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

BILLS LIST

NOVEMBER 2025

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Southern Coastal Regional Employee Benefits Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2025

| <u>Vendor Name</u> | <u>Comment</u> | <u>Invoice Amount</u> |
|------------------------------|--|-----------------------|
| PERMA | ADMIN FEES 11/25 | 142,070.78 |
| PERMA | POSTAGE 10/25 | 129.70 |
| PERMA | RETIREE FIRST INV 12012025 | 3,252.00 |
| | | 145,452.48 |
| MARMERO LAW, LLC | LEGAL FEES 10/01/25-10/27/25 INV 32246 | 2,346.00 |
| MARMERO LAW, LLC | OSC REVIEW 10/08/25-10/29/25 INV 32247 | 1,597.50 |
| | | 3,943.50 |
| THE CANNING GROUP LLC | QPA SERVICES INV 2025-11 | 250.00 |
| | | 250.00 |
| PRESS OF ATLANTIC CITY | INV A10F521C-0008 11/08/25 GEN. LED. | 33.28 |
| | | 33.28 |
| Millville Board of Education | JULY 2025 MGMT FEE INV 2039 7/1/25 | 959.53 |
| Millville Board of Education | AUGUST 2025 MGMT FEE INV 2460 8/1/25 | 959.53 |
| Millville Board of Education | JUNE 2025 INC. CREDIT INV 2443 8/1/25 | 940.00 |
| | | 2,859.06 |
| ADVANTA HEALTH SOLUTIONS | OCT ACTIVIFIT & MGMT FEE INV 2590 | 8,150.94 |
| | | 8,150.94 |
| HQSI, INC | REVIEW CASE # 4227667 4/25/25 | 900.00 |
| HQSI, INC | REVIEW CASE INV 250715-MRHIF-1 7/11/25 | 1,800.00 |
| | | 2,700.00 |
| ACCESS | INV 11850556 DEPT 963 10/31/25 | 23.05 |
| | | 23.05 |
| MUNICIPAL REINSURANCE HIF | SPECIFIC REINSURANCE 11/25 | 487,428.41 |
| | | 487,428.41 |
| TOTAL CHECKS 2025 | | 650,840.72 |

| | | |
|--|---------------------------------|---------------------|
| AETNA HEALTH MANAGEMENT, LLC | MEDICARE ADVANTAGE 11/25 | 75,441.15 |
| | | 75,441.15 |
| DELTA DENTAL INSURANCE COMPANY (DELTACARE USA) | DENTAL -A# F17872000000 11/1/25 | 112.35 |
| | | 112.35 |
| AETNA | MEDICARE TPA FEES 11/25 | 168,653.10 |
| AETNA | AUGUST 2025 NPA CREDIT 11/25 | -2,590.00 |
| | | 166,063.10 |
| AMERIHEALTH ADMINISTRATORS | MEDICAL TPA FEES 11/25 | 56,258.76 |
| AMERIHEALTH ADMINISTRATORS | WELLNESS/MARKETING 11/25 | -2,274.00 |
| | | 53,984.76 |
| DELTA DENTAL OF NEW JERSEY INC. | DENTAL TPA FEES 11/25 | 367.92 |
| | | 367.92 |
| VERRILL & VERRILL | TREASURER FEES 11/25 | 1,104.17 |
| | | 1,104.17 |
| POINT ACCOUNTING GROUP | TREASURER FEES 11/25 | 620.20 |
| | | 620.20 |
| SHARED HEALTH ALLIANCE | PROGRAM MANAGER 11/25 | 270,491.76 |
| | | 270,491.76 |
| SHARED HEALTH ALLIANCE | GUARDIAN NURSES INV 4992 11/25 | 59,089.22 |
| | | 59,089.22 |
| ALLEN ASSOCIATES | BROKER FEES 11/25 | 210,103.98 |
| | | 210,103.98 |
| ALLEN ASSOCIATES | REIMB MEETING EXPENSE 10/25 | 2,205.60 |
| | | 2,205.60 |
| TOTAL WIRES 2025 | | 839,584.21 |
| Total Payments FY 2025 | | 1,490,424.93 |
| TOTAL PAYMENTS ALL FUND YEARS | | 1.490.424.93 |

Chairperson

Attest:

Dated: _____
 I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

BILLS LIST

DECEMBER 2025

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Southern Coastal Regional Employee Benefits Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2025

| <u>Vendor Name</u> | <u>Comment</u> | <u>Invoice Amount</u> |
|-------------------------------|--|-----------------------|
| PERMA | POSTAGE 11/25 | 145.81 |
| PERMA | ADMIN FEES 12/25 | 140,699.01 |
| | | 140,844.82 |
| SOUTHERN NJ REGIONAL EBF | REIMB ATTORNEY OSC REVIEW 12/25 | 7,684.56 |
| | | 7,684.56 |
| MARMERO LAW, LLC | OSC REVIEW 11/07/25-11/25/25 INV 32357 | 1,575.00 |
| MARMERO LAW, LLC | LEGAL FEES 11/03/25-11/26/25 INV 32356 | 2,346.00 |
| | | 3,921.00 |
| THE CANNING GROUP LLC | QPA SERVICES INV 2025-12 | 250.00 |
| | | 250.00 |
| ADVANTA HEALTH SOLUTIONS | NOV ACTIVIFIT & MGMT FEE INV 2632 | 8,150.94 |
| | | 8,150.94 |
| OCEAN CITY BOARD OF EDUCATION | WELLNESS REIMB SELF DEFENSE COURSE | 5,000.00 |
| | | 5,000.00 |
| CUMBERLAND COUNTY GOVERNMENT | 2025 WELLNESS REIMB CHAIR YOGA | 2,450.00 |
| | | 2,450.00 |
| ACCESS | INV 11902896 DEPT 963 11/30/25 | 23.50 |
| | | 23.50 |
| MUNICIPAL REINSURANCE HIF | SPECIFIC REINSURANCE 12/25 | 482,579.13 |
| | | 482,579.13 |
| TOTAL CHECKS 2025 | | 650,903.95 |

| | | |
|--|--------------------------------------|---------------------|
| AETNA | DECEMBER HOLIDAY CREDIT 12/25 | -165,909.10 |
| AETNA | MEDICARE TPA FEES 12/25 | 165,909.10 |
| | | 0.00 |
| AETNA HEALTH MANAGEMENT, LLC | MEDICARE ADVANTAGE 12/25 | 74,894.01 |
| | | 74,894.01 |
| DELTA DENTAL INSURANCE COMPANY (DELTACARE USA) | DENTAL -A# F17872000000 12/1/25 | 74.90 |
| | | 74.90 |
| AMERIHEALTH ADMINISTRATORS | WELLNESS/MARKETING 12/25 | -2,298.00 |
| AMERIHEALTH ADMINISTRATORS | MEDICAL TPA FEES 12/25 | 56,852.52 |
| | | 54,554.52 |
| DELTA DENTAL OF NEW JERSEY INC. | DENTAL TPA FEES 12/25 | 361.13 |
| | | 361.13 |
| VERRILL & VERRILL | TREASURER FEES 12/25 | 1,104.17 |
| | | 1,104.17 |
| POINT ACCOUNTING GROUP | TREASURER FEES 12/25 | 620.20 |
| | | 620.20 |
| SHARED HEALTH ALLIANCE | PROGRAM MANAGER 12/25 | 267,880.06 |
| | | 267,880.06 |
| SHARED HEALTH ALLIANCE | GUARDIAN NURSES INV 5086 12/25 | 59,089.22 |
| | | 59,089.22 |
| ALLEN ASSOCIATES | BROKER FEES 12/25 | 206,724.72 |
| | | 206,724.72 |
| | TOTAL WIRES 2025 | 665,302.93 |
| | Total Payments FY 2025 | 1,316,206.88 |
| | TOTAL PAYMENTS ALL FUND YEARS | 1,316,206.88 |

Chairperson

Attest:

Dated: _____
 I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES
COASTAL HEALTH BENEFITS FUND

| Month | | November | | | | | | | |
|-------------------|--------------|-----------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|------------------------------|--|----------------------|
| Current Fund Year | | 2025 | | | | | | | |
| Policy Year | Coverage | 1. Calc. Net Paid Thru Last Month | 2. Monthly Net Paid November | 3. Monthly Recoveries November | 4. Calc. Net Paid Thru November | 5. TPA Net Paid Thru November | 6. Variance To Be Reconciled | 7. Delinquent Unreconciled Variance From | 8. Change This Month |
| | | | | | | | | | |
| 2025 | Medical | 109,766,088.08 | 11,012,514.61 | 0.00 | 120,778,602.69 | 0.00 | 120,778,602.69 | 109,766,088.08 | 11,012,514.61 |
| | Dental | 79,355.80 | 4,040.70 | 0.00 | 83,396.50 | 0.00 | 83,396.50 | 79,355.80 | 4,040.70 |
| | Rx | 6,985,799.57 | 826,116.16 | 0.00 | 7,811,915.73 | 0.00 | 7,811,915.73 | 6,985,799.57 | 826,116.16 |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 116,831,243.45 | 11,842,671.47 | 0.00 | 128,673,914.92 | 0.00 | 128,673,914.92 | 116,831,243.45 | 11,842,671.47 |

COASTAL HEALTH BENEFITS FUND
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED

| Current Fund Year: 2025 Month Ending: November | | Medical | Dental | Rx | Vision | Reinsurance | Admin | LFC | Closed Year | Retained Dividend | TOTAL |
|---|--|-------------------|--------------------|-----------------------|------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| OPEN BALANCE | | 4,972,059.27 | (10,080.14) | (4,138,246.51) | 59,581.40 | (74,964.66) | 4,016,087.55 | 2,412,966.45 | 7,179,167.99 | 12,131,686.03 | 26,548,257.38 |
| RECEIPTS | | | | | | | | | | | |
| Assessments | | 7,242,415.18 | 2,345.12 | 195,331.21 | 0.00 | 289,438.30 | 684,646.36 | 81,505.83 | 0.00 | 0.00 | 8,495,682.00 |
| Refunds | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Invest Pymnts | | 19,819.25 | 0.00 | 0.00 | 134.74 | 10.18 | 9,082.06 | 5,456.64 | 16,235.33 | 27,435.18 | 78,173.38 |
| Invest Adj | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal Invest | | 19,819.25 | 0.00 | 0.00 | 134.74 | 10.18 | 9,082.06 | 5,456.64 | 16,235.33 | 27,435.18 | 78,173.38 |
| Other Receipts | | 40,787.26 | 0.00 | 190,501.47 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 231,288.73 |
| | | | | | | | | | | | |
| TOTAL | | 7,303,021.69 | 2,345.12 | 385,832.68 | 134.74 | 289,448.48 | 693,728.42 | 86,962.47 | 16,235.33 | 27,435.18 | 8,805,144.11 |
| EXPENSES | | | | | | | | | | | |
| Claims Transfers | | 11,281,244.31 | 4,040.70 | 826,116.16 | 0.00 | 0.00 | 0.00 | 0.00 | 21,667.70 | 0.00 | 12,133,068.87 |
| Expenses | | 702,468.15 | 112.35 | 0.00 | 0.00 | 487,428.41 | 300,416.02 | 0.00 | 0.00 | 0.00 | 1,490,424.93 |
| Other Expenses | | (69.41) | 0.00 | 0.00 | 0.00 | 0.00 | 69.41 | 0.00 | 0.00 | 61,919.00 | 61,919.00 |
| TOTAL | | 11,983,643.05 | 4,153.05 | 826,116.16 | 0.00 | 487,428.41 | 300,485.43 | 0.00 | 21,667.70 | 61,919.00 | 13,685,412.80 |
| END BALANCE | | 291,437.91 | (11,888.07) | (4,578,529.99) | 59,716.14 | (272,944.59) | 4,409,330.54 | 2,499,928.92 | 7,173,735.62 | 12,097,202.21 | 21,667,988.69 |

| | | | | | | | | |
|---|------------------------|---|----------------------|--|---|---|--|--|
| SUMMARY OF CASH AND INVESTMENT INSTRUMENTS | | | | | | | | |
| COASTAL HEALTH BENEFITS FUND | | | | | | | | |
| ALL FUND YEARS COMBINED | | | | | | | | |
| CURRENT MONTH | November | | | | | | | |
| CURRENT FUND YEAR | 2025 | | | | | | | |
| | | Description: | Citizens Bank | OceanFirst Investment Account | OceanFirst Operating Account | Fulton Bank Investment Account | Wilmington Trust Investment Account | NJ Cash Management Investment Account |
| | | ID Number: | | | | | | |
| | | Maturity (Yrs) | | | | 3/29/2019 | 9/29/2019 | |
| | | Purchase Yield: | 2.00 | 2.40 | 2.40 | 1.50 | 1.60 | 2.50 |
| | | TO TAL for All Accts & instruments | | | | | | |
| Opening Cash & Investment Balance | \$26,548,257.40 | | - | 13,112.26 | 6,353,907.72 | 19,503,379.02 | 13,317.11 | 585,684.24 |
| Opening Interest Accrual Balance | \$43.58 | | - | - | - | - | 43.58 | - |
| 1 Interest Accrued and/or Interest Cost | \$40.80 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$40.80 | \$0.00 |
| 2 Interest Accrued - discounted Instr.s | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 3 (Amortization and/or Interest Cost) | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 4 Accretion | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 5 Interest Paid - Cash Instr.s | \$78,129.81 | | \$0.00 | \$32.37 | \$10,777.15 | \$65,159.84 | \$0.00 | \$1,891.88 |
| 6 Interest Paid - Term Instr.s | \$43.58 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$43.58 | \$0.00 |
| 7 Realized Gain (Loss) | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 8 Net Investment Income | \$78,170.61 | | \$0.00 | \$32.37 | \$10,777.15 | \$65,159.84 | \$40.80 | \$1,891.88 |
| 9 Deposits - Purchases | \$14,504,635.94 | | \$0.00 | \$0.00 | \$7,451,478.00 | \$6,213,573.73 | \$0.00 | \$0.00 |
| 10 (Withdrawals - Sales) | -\$19,463,078.01 | | \$0.00 | \$0.00 | -\$12,783,909.59 | -\$5,839,584.21 | \$0.00 | \$0.00 |
| Ending Cash & Investment Balance | \$21,667,988.72 | | \$0.00 | \$13,144.63 | \$1,032,253.28 | \$19,942,528.38 | \$13,360.69 | \$587,576.12 |
| Ending Interest Accrual Balance | \$40.80 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$40.80 | \$0.00 |
| Plus Outstanding Checks | \$650,840.72 | | \$0.00 | \$0.00 | \$650,840.72 | \$0.00 | \$0.00 | \$0.00 |
| (Less Deposits in Transit) | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Balance per Bank | \$22,318,829.44 | | \$0.00 | \$13,144.63 | \$1,683,094.00 | \$19,942,528.38 | \$13,360.69 | \$587,576.12 |
| | | | | | | | | |



SOUTHERN COASTAL HEALTH INSURANCE FUND

Monthly Claim Activity Report

January 26, 2026



SOUTHERN COASTAL HEALTH INSURANCE FUND

| | MEDICAL CLAIMS + CAP PAID 2024 | | MEDICAL CLAIMS + CAP PAID 2025 | |
|---------------|-----------------------------------|--------|-----------------------------------|----------------------|
| | # OF EES | PER EE | # OF EES | PER EE |
| JANUARY | \$8,647,154 | 4,777 | \$ 1,810 | \$7,212,499 |
| FEBRUARY | \$7,823,044 | 4,742 | \$ 1,650 | \$7,981,639 |
| MARCH | \$6,715,776 | 4,742 | \$ 1,416 | \$8,575,969 |
| APRIL | \$10,672,810 | 4,739 | \$ 2,252 | \$10,230,178 |
| MAY | \$8,343,715 | 4,758 | \$ 1,754 | \$10,136,230 |
| JUNE | \$8,136,959 | 4,765 | \$ 1,708 | \$10,105,217 |
| JULY | \$10,086,416 | 4,728 | \$ 2,133 | \$10,624,134 |
| AUGUST | \$9,731,983 | 4,712 | \$ 2,065 | \$11,405,481.52 |
| SEPTEMBER | \$10,059,518 | 4,825 | \$ 2,085 | \$10,042,626.65 |
| OCTOBER | \$10,824,787 | 4,812 | \$ 2,250 | \$8,401,661.48 |
| NOVEMBER | \$9,230,409 | 4,790 | \$ 1,927 | \$8,996,850.57 |
| DECEMBER | \$9,265,954 | 4,788 | \$ 1,935 | |
| TOTALS | \$109,538,525 | | | \$103,712,486 |
| | | | 2025 Average | 4,804 |
| | | | 2024 Average | 4,765 |

Large Claimant Report (Drilldown) - Claims Over \$100000

Plan Sponsor Unique ID : All
Customer: Southern Coastal Health Insurance Fund
Group / Control: 00108431,00169660,00737420,00737421
Paid Dates: 11/01/2025 - 11/30/2025
Service Dates: 01/01/2011 - 11/30/2025
Line of Business: All

| | Paid Amt | Diagnosis/Treatment |
|---------------|-----------------------|--|
| | \$911,483.35 | MODERATE HYPOXIC ISCHEMIC ENCEPHALOPATHY |
| | \$357,348.53 | ALCOHOLIC CIRRHOSIS OF LIVER WITH ASCITES |
| | \$221,178.01 | Other persistent atrial fibrillation |
| | \$140,791.33 | OTHER MECHANICAL COMPLICATION OF OTHER |
| | \$136,616.66 | OTHER NONTRAUMATIC INTRACEREBRAL |
| | \$119,007.61 | Traumatic subdural hemorrhage with loss of |
| | \$112,769.92 | VARICOSE VEINS OF RIGHT LOWER EXTREMITY WITH |
| | \$106,767.24 | Spondylolisthesis, lumbar region |
| Total: | \$2,105,962.65 | |



Southern Coastal Health Insurance Fund

12/1/2024 through 11/30/25 (unless otherwise noted)

Dashboard

Medical Claims Paid:
January 2025 – November 2025

Total Medical Paid per EE: **\$1,964**

Network Discounts

Inpatient: **64.9%**
Ambulatory: **62.9%**
Physician/Other: **62.1%**
TOTAL: **63.1%**

Provider Network

% Admissions In-Network: **97.8%**
% Physician Office in network: **99.0%**

Aetna Book of Business:

Admissions 98.2%; Physician 90.6%

Top Facilities Utilized (by total Medical Spend)

- Inspira Medical Center –Vineland
- Cooper Hospital
- Inspira Medical Center- Mullica Hill
- University of Pennsylvania
- Virtua West Jersey Health System

Catastrophic Claim Impact (January 2025- November 2025)

Number of Claims Over \$50,000 **311**
Claimants per 1000 members: **26.6**
Avg. Paid per Claimant: **\$127,643**
Percent of Total Paid: **41.6%**

- Aetna BOB- HCC account for an average of 45.4% of total Medical Cost

Aetna One Flex Care Mgmt Member Outreach:

Total Members Identified: **3,210** (24.4%)
Members Targeted for 1:1 Nurse Support: **888** (17% engaged)
Members identified for Digital Activity: **2,322** (71.6%)
Members receiving Aetna Advice: **2187** (18.3%)
Average Aetna Advice outreaches per member: **1.3**

CVS Health. CVS Virtual Care

January 2025 – November 2025

Completed Visits: **62**
Unique Patients: **58**
Completed Visits in 2025 : **576**
Unique Patients in 2025: **380**
Total Scheduled Visits in 2025: **703**
Average visit duration: **9 Minutes**
BoB: Average First Available: **38 minutes**
BoB: Average First Available (8am-6pm) **36 Minutes**

Service Center Performance Goal Metrics YTD 2024

Customer Service Performance

1st Call Resolution: **93.68%**
Abandonment Rate: **0.46%**
Avg. Speed of Answer: **12.6 sec**

Claims Performance

Financial Accuracy: **97.76%***
*Q3 2025
-
90% processed w/in: **7.4 days**
95% processed w/in: **15.4 days**

Claims Performance (Monthly) (November 2025)

90% processed w/in: **6.6 days**
95% processed w/in: **13.4 days**
(Note: This is not a PG metric)

Performance Goals

1st Call Resolution: **90%**
Abandonment Rate less than: **3.0%**
Average Speed of Answer: **30 sec**

Financial Accuracy: **99%**

Turnaround Time

90% processed w/in: **14 days**
95% processed w/in: **30 days**





2024 Coastal HIF

| | MEDICAL CLAIMS PAID 2024 | # OF EES | PER EE |
|---------------------|---------------------------------|---------------------|--------------------|
| JANUARY | \$ 1,486,792.87 | 1,527 | \$ 973.66 |
| FEBRUARY | \$ 2,775,782.86 | 1,526 | \$ 1,818.99 |
| MARCH | \$ 1,513,406.57 | 1,517 | \$ 997.63 |
| APRIL | \$ 2,078,359.71 | 1,514 | \$ 1,372.76 |
| MAY | \$3,087,392.63 | 1,509 | \$ 2,045.98 |
| JUNE | \$ 2,274,909.83 | 1,511 | \$ 1,505.56 |
| JULY | \$ 1,588,759.56 | 1,620 | \$ 980.71 |
| AUGUST | \$ 3,317,861.03 | 1,604 | \$ 2,068.49 |
| SEPTEMBER | \$ 2,448,376.40 | 1,602 | \$ 1,528.32 |
| OCTOBER | \$ 2,538,314.18 | 1,588 | \$ 1,598.43 |
| NOVEMBER | \$ 2,090,292.11 | 1,586 | \$ 1,317.96 |
| DECEMBER | \$ 2,532,432.16 | 1,614 | \$ 1,569.04 |
| TOTALS | \$27,732,679.91 | | |
| 2024 Average | | 2024 Average | \$ 1,481.46 |

2025 Coastal HIF

| | MEDICAL CLAIMS PAID 2025 | # OF EES | PER EE |
|------------------|---------------------------------|-----------------|--------------------|
| JANUARY | \$ 2,647,672.70 | 1618 | \$ 1,636.38 |
| FEBRUARY | \$ 2,610,983.87 | 1,601 | \$ 1,630.84 |
| MARCH | \$ 2,718,987.70 | 1,608 | \$ 1,540.06 |
| APRIL | \$ 2,476,426.33 | 1,607 | \$ 1,541.02 |
| MAY | \$ 3,264,140.97 | 1,598 | \$ 2,042.64 |
| JUNE | \$ 2,294,421.78 | 1,601 | \$ 1,433.11 |
| JULY | \$ 3,498,661.68 | 1,543 | \$ 2,267.44 |
| AUGUST | \$ 3,301,519.26 | 1,553 | \$ 2,125.89 |
| SEPTEMBER | \$ 2,413,139.97 | 1,539 | \$ 1,567.99 |
| OCTOBER | \$ 3,261,488.98 | 1,532 | \$ 2,363.89 |
| NOVEMBER | \$ 2,543,847.12 | 1,539 | \$ 1,652.92 |
| DECEMBER | \$ 2,566,800.33 | 1,534 | \$ 1,673.27 |
| TOTALS | \$ 33,598,090.69 | | \$ 1,789.62 |



PLAN SPONSOR INFORMATION SERVICES
Large Claimant Report- Claims Over \$100,000

Group:

Coastal HIF

Service Dates: -

Paid Dates: 12/1/25-12/31/25

Line of Business: All

Network Service

ALL

Product Line: All

| Claimant | Relationship | Paid Amount | Diagnosis |
|--------------|--------------|---------------------|------------------------|
| 1 | Spouse | \$227,345.97 | Chronic Kidney Disease |
| | | | |
| | | | |
| | | | |
| Total | | \$227,345.97 | |



Southern Coastal HIF

Paid Claims 01/01/2025-12/31/2025

| | |
|---|--------------|
| Average payment per member per month 01/01-12/31/2025: | \$ 685.45 |
| Number of claimants with paid claims over \$100,00 YTD: | 52 |
| Total paid on those claimants: | \$10,319,478 |

Top Facilities Utilized based on paid claims:

ATLANTICARE REGIONAL MEDICAL CENTER

INSPIRA MEDICAL CENTER VINELAND, NJ

INSPIRA MEDICAL CENTER MULlica HILL, NJ

SHORE MEDICAL CENTER, NJ

COOPER UNIVERSITY HOSPITAL, NJ

Provider Network

% Inpatient In- Network: 99.4%

% Professional providers In-Network: 95.3%

% Outpatient providers In-Network: 96.3%

| Metric | AHA Jan. MTD | AHA Feb. MTD | AHA March MTD | AHA April MTD | AHA May MTD | AHA June MYD | AHA July MTD | AHA Aug. MTD | AHA Sept. MTD | AHA Oct. MTD | AHA Nov. MTD | AHA Dec. MTD |
|---------------------|--------------|--------------|---------------|---------------|-------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|
| 1st Call Resolution | 88.70% | 89.60% | 89.40% | 89.00% | 89.20% | 90.30% | 88.70% | 89.20% | 89.40% | 88.90% | 89.30% | 90.30% |
| ASA | 79.57 | 29.07 | 7.95 | 5.21 | 5.88 | 5.54 | 14.95 | 30.60 | 41.52 | 8.17 | 15.18 | 6.00 |
| Abandonment Rate | 3.64% | 1.67% | 0.81% | 0.72% | 0.48% | 0.57% | 0.68% | 1.20% | 1.77% | 1.22% | 0.86% | 0.38% |

| Totals | 2025 YTD |
|----------------------------|----------|
| Total Inpatient Admissions | 275 |
| Total Inpatient Days | 1,251 |
| ER | 1107 |



EXPRESS SCRIPTS®

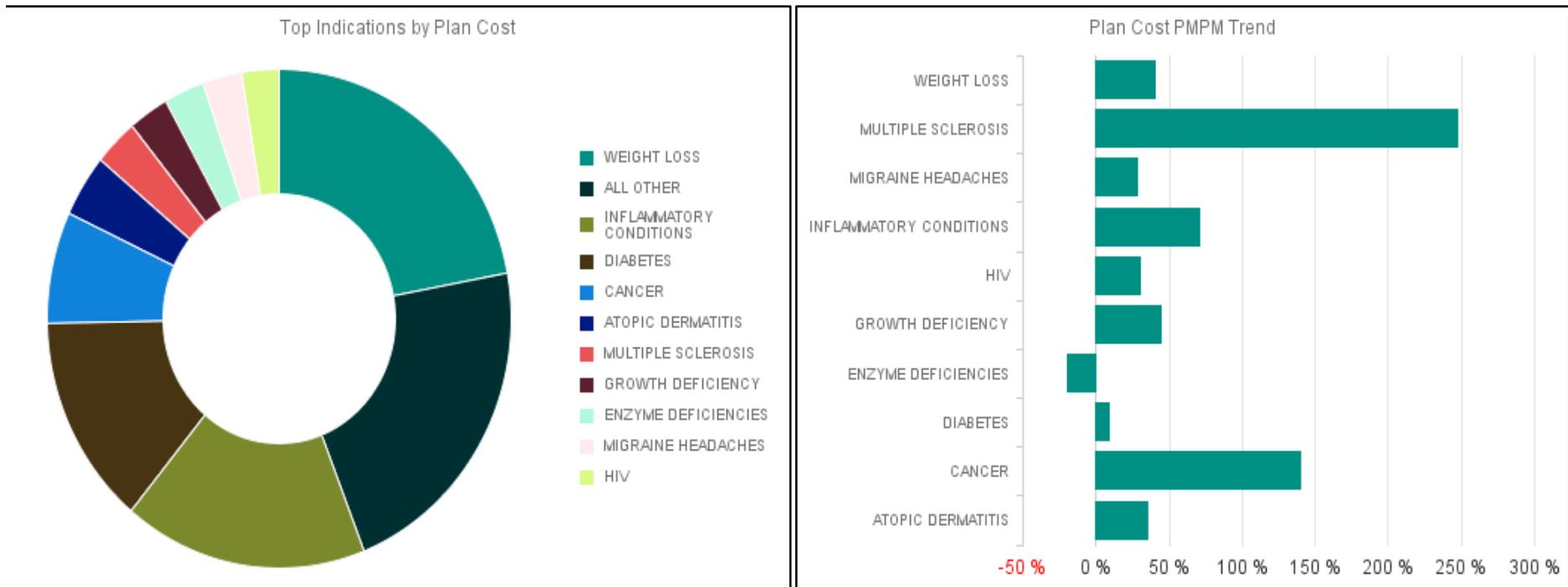
Southern Coastal Health Insurance Fund

| Total Component/Date of Service (Month) | 2024 01 | 2024 02 | 2024 03 | 2024 Q1 | 2024 04 | 2024 05 | 2024 06 | 2024 Q2 | 2024 07 | 2024 08 | 2024 09 | 2024 Q3 | 2024 10 | 2024 11 | 2024 12 | 2024 Q4 |
|--|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|
| Membership | 2,305 | 2,306 | 2,311 | 2,307 | 2,331 | 2,351 | 2,326 | 2,336 | 2,605 | 2,589 | 2,640 | 2,611 | 2,650 | 2,649 | 2,675 | 2,658 |
| Total Days | 85,107 | 86,806 | 85,896 | 257,809 | 84,674 | 94,464 | 84,721 | 263,859 | 100,171 | 95,059 | 90,238 | 285,468 | 102,483 | 93,658 | 102,040 | 298,181 |
| Total Patients | 941 | 920 | 973 | 1,414 | 891 | 965 | 932 | 1,378 | 1,034 | 1,079 | 1,027 | 1,540 | 1,132 | 1,042 | 1,119 | 1,624 |
| Total Plan Cost | \$437,522 | \$389,496 | \$458,437 | \$1,285,454 | \$429,379 | \$589,433 | \$460,102 | \$1,478,914 | \$597,304 | \$557,189 | \$618,421 | \$1,772,915 | \$695,889 | \$529,342 | \$738,372 | \$1,963,602 |
| Generic Fill Rate (GFR) - Total | 87.0% | 88.8% | 87.2% | 87.7% | 85.2% | 85.1% | 83.3% | 84.5% | 85.1% | 82.5% | 80.7% | 82.8% | 81.3% | 82.9% | 84.8% | 83.0% |
| Plan Cost PMPM | \$189.81 | \$168.91 | \$198.37 | \$185.71 | \$184.20 | \$250.72 | \$197.81 | \$211.03 | \$229.29 | \$215.21 | \$234.25 | \$226.31 | \$262.60 | \$199.83 | \$276.03 | \$246.25 |
| Total Specialty Plan Cost | \$178,342 | \$151,982 | \$222,746 | \$553,070 | \$162,052 | \$265,760 | \$135,401 | \$563,212 | \$213,556 | \$172,920 | \$233,797 | \$620,274 | \$283,383 | \$142,736 | \$337,794 | \$763,913 |
| Specialty % of Total Specialty Plan Cost | 40.8% | 39.0% | 48.6% | 43.0% | 37.7% | 45.1% | 29.4% | 38.1% | 35.8% | 31.0% | 37.8% | 35.0% | 40.7% | 27.0% | 45.7% | 38.9% |

| Total Component/Date of Service (Month) | 2025 01 | 2025 02 | 2025 03 | 2025 Q1 | 2025 04 | 2025 05 | 2025 06 | 2025 Q2 | 2025 07 | 2025 08 | 2025 09 | 2025 Q3 | 2025 10 | 2025 11 | 2025 12 | 2025 Q4 |
|--|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|---------|---------|
| Membership | 2,643 | 2,621 | 2,606 | 2,623 | 2,600 | 2,596 | 2,608 | 2,601 | 2,602 | 2,561 | 2,648 | 2,604 | 2,646 | 2,661 | | |
| Total Days | 102,714 | 89,787 | 101,595 | 294,096 | 93,046 | 97,681 | 94,960 | 285,687 | 94,539 | 89,945 | 97,269 | 281,753 | 98,718 | 93,389 | | |
| Total Patients | 1,065 | 1,038 | 1,032 | 1,554 | 1,012 | 991 | 999 | 1,463 | 973 | 982 | 993 | 1,486 | 1,078 | 989 | | |
| Total Plan Cost | \$556,217 | \$612,671 | \$608,210 | \$1,777,098 | \$743,532 | \$779,323 | \$741,628 | \$2,264,483 | \$772,403 | \$687,539 | \$793,221 | \$2,253,163 | \$757,714 | \$791,360 | | |
| Generic Fill Rate (GFR) - Total | 86.8% | 83.9% | 84.4% | 85.1% | 84.2% | 83.1% | 84.7% | 84.0% | 83.6% | 82.9% | 83.1% | 83.2% | 79.5% | 80.2% | | |
| Plan Cost PMPM | \$210.45 | \$233.75 | \$233.39 | \$225.81 | \$285.97 | \$300.20 | \$284.37 | \$290.17 | \$296.85 | \$268.46 | \$299.55 | \$288.46 | \$286.36 | \$297.39 | | |
| % Change Plan Cost PMPM | 10.9% | 38.4% | 17.7% | 21.6% | 55.2% | 19.7% | 43.8% | 37.5% | 29.5% | 24.7% | 27.9% | 27.5% | 9.0% | 48.8% | | |
| Total Specialty Plan Cost | \$200,212 | \$247,988 | \$185,556 | \$633,756 | \$330,464 | \$346,193 | \$357,502 | \$1,034,159 | \$367,628 | \$270,757 | \$396,041 | \$1,034,426 | \$323,451 | \$357,646 | | |
| Specialty % of Total Specialty Plan Cost | 36.0% | 40.5% | 30.5% | 35.7% | 44.4% | 44.4% | 48.2% | 45.7% | 47.6% | 39.4% | 49.9% | 45.9% | 42.7% | 45.2% | | |

Top Indications

SOUTHERN COASTAL HLTH INS FUND (Current Period 01/2025 - 11/2025 vs. Previous Period 01/2024 - 11/2024) Peer = Government - National Preferred Formulary



| | | | Current Period | | | | | | Previous Period | | | | | | Trend |
|---------------------|-----------|-------------------------|----------------|--------------------|-----------------|----------------|---------------|----------|-----------------|---------------|--------------------|-----------------|---------------|---------------|----------------|
| Rank | Peer Rank | Indication | Market Share | Adjusted Rx's | Plan Cost | Plan Cost PMPM | GFR | Peer GFR | Market Share | Adjusted Rx's | Plan Cost | Plan Cost PMPM | GFR | Peer GFR | Plan Cost PMPM |
| 1 | 4 | WEIGHT LOSS | 28.3 % | 1,570 | \$1,730,935 | \$60.12 | 2.0 % | 3.8 % | 28.7 % | 1,028 | \$1,156,236 | \$42.72 | 1.8 % | 5.1 % | 40.7 % |
| 2 | 2 | INFLAMMATORY CONDITIONS | 21.7 % | 333 | \$1,330,814 | \$46.22 | 37.2 % | 28.7 % | 18.2 % | 220 | \$733,535 | \$27.10 | 42.3 % | 32.4 % | 70.5 % |
| 3 | 1 | DIABETES | 17.5 % | 2,665 | \$1,073,459 | \$37.28 | 25.0 % | 23.4 % | 23.0 % | 2,597 | \$926,213 | \$34.22 | 27.6 % | 25.5 % | 8.9 % |
| 4 | 3 | CANCER | 9.3 % | 164 | \$567,653 | \$19.72 | 76.8 % | 75.1 % | 5.5 % | 79 | \$222,951 | \$8.24 | 79.7 % | 75.7 % | 139.3 % |
| 5 | 5 | ATOPIC DERMATITIS | 5.2 % | 483 | \$317,609 | \$11.03 | 77.4 % | 79.1 % | 5.5 % | 445 | \$220,903 | \$8.16 | 80.7 % | 83.1 % | 35.1 % |
| 6 | 8 | MULTIPLE SCLEROSIS | 3.9 % | 49 | \$240,338 | \$8.35 | 40.8 % | 47.0 % | 1.6 % | 22 | \$65,030 | \$2.40 | 72.7 % | 48.4 % | 247.4 % |
| 7 | 10 | GROWTH DEFICIENCY | 3.6 % | 47 | \$220,008 | \$7.64 | 0.0 % | 0.0 % | 3.5 % | 33 | \$142,920 | \$5.28 | 0.0 % | 0.0 % | 44.7 % |
| 8 | 9 | ENZYME DEFICIENCIES | 3.6 % | 31 | \$219,751 | \$7.63 | 64.5 % | 20.2 % | 6.4 % | 21 | \$256,523 | \$9.48 | 100.0 % | 18.3 % | -19.5 % |
| 9 | 6 | MIGRAINE HEADACHES | 3.5 % | 295 | \$214,591 | \$7.45 | 35.6 % | 51.0 % | 3.9 % | 261 | \$157,929 | \$5.84 | 46.0 % | 52.8 % | 27.7 % |
| 10 | 7 | HIV | 3.3 % | 58 | \$204,655 | \$7.11 | 1.7 % | 20.0 % | 3.7 % | 41 | \$147,305 | \$5.44 | 0.0 % | 21.4 % | 30.6 % |
| Total Top 10 | | | 5,695 | \$6,119,814 | \$212.55 | 25.8 % | 31.8 % | | 4,747 | | \$4,029,545 | \$148.89 | 29.7 % | 34.6 % | 42.8 % |

Top Drugs

SOUTHERN COASTAL HLTH INS FUND (Current Period 01/2025 - 11/2025 vs. Previous Period 01/2024 - 11/2024) Peer = Government - National Preferred Formulary

| | | | | | Current Period | | | | Previous Period | | | | Trend |
|--------------|-----------|------------------------|-------------------------|----------------|----------------|----------|-------------|----------------|-----------------|----------|-------------|----------------|----------------|
| Rank | Peer Rank | Brand Name | Indication | Specialty Drug | Adjusted Rx's | Patients | Plan Cost | Plan Cost PMPM | Adjusted Rx's | Patients | Plan Cost | Plan Cost PMPM | Plan Cost PMPM |
| 1 | 6 | ZEPBOUND | WEIGHT LOSS | N | 927 | 132 | \$954,797 | \$33.16 | 336 | 60 | \$331,130 | \$12.24 | 171.0 % |
| 2 | 13 | WEGOVY | WEIGHT LOSS | N | 604 | 87 | \$769,973 | \$26.74 | 639 | 107 | \$804,144 | \$29.71 | -10.0 % |
| 3 | 10 | STELARA | INFLAMMATORY CONDITIONS | Y | 24 | 2 | \$323,819 | \$11.25 | 12 | 3 | \$100,379 | \$3.71 | 203.2 % |
| 4 | 1 | MOUNJARO | DIABETES | N | 264 | 33 | \$268,881 | \$9.34 | 190 | 30 | \$188,285 | \$6.96 | 34.2 % |
| 5 | 4 | OZEMPIC | DIABETES | N | 280 | 35 | \$262,311 | \$9.11 | 209 | 28 | \$186,762 | \$6.90 | 32.0 % |
| 6 | 8 | DUPIXENT PEN | ATOPIC DERMATITIS | Y | 70 | 9 | \$195,515 | \$6.79 | 66 | 9 | \$167,376 | \$6.18 | 9.8 % |
| 7 | 44 | KISQALI | CANCER | Y | 11 | 1 | \$180,818 | \$6.28 | 2 | 1 | \$24,141 | \$0.89 | 604.0 % |
| 8 | 9 | SKYRIZI PEN | INFLAMMATORY CONDITIONS | Y | 25 | 4 | \$163,579 | \$5.68 | 16 | 2 | \$105,795 | \$3.91 | 45.3 % |
| 9 | 42 | KESIMPTA PEN | MULTIPLE SCLEROSIS | Y | 20 | 2 | \$155,846 | \$5.41 | NA | NA | NA | NA | NA |
| 10 | 209 | CALQUENCE | CANCER | Y | 9 | 2 | \$138,020 | \$4.79 | 2 | 1 | \$27,119 | \$1.00 | 378.4 % |
| 11 | 184 | ALECensa | CANCER | Y | 10 | 1 | \$133,721 | \$4.64 | 12 | 1 | \$170,170 | \$6.29 | -26.1 % |
| 12 | 22 | TALTZ AUTOINJECTOR | INFLAMMATORY CONDITIONS | Y | 22 | 3 | \$132,314 | \$4.60 | 28 | 3 | \$162,454 | \$6.00 | -23.4 % |
| 13 | 242 | PALYNZQ | ENZYME DEFICIENCIES | Y | 11 | 1 | \$129,861 | \$4.51 | NA | NA | NA | NA | NA |
| 14 | 19 | TREMFYA ONE-PRESS | INFLAMMATORY CONDITIONS | Y | 13 | 3 | \$119,531 | \$4.15 | NA | NA | NA | NA | NA |
| 15 | 27 | SKYRIZI ON-BODY | INFLAMMATORY CONDITIONS | Y | 12 | 1 | \$117,777 | \$4.09 | NA | NA | NA | NA | NA |
| 16 | 112 | BRUKINSA | CANCER | Y | 7 | 1 | \$109,496 | \$3.80 | NA | NA | NA | NA | NA |
| 17 | 90 | ENBREL | INFLAMMATORY CONDITIONS | Y | 12 | 1 | \$93,976 | \$3.26 | 12 | 1 | \$86,177 | \$3.18 | 2.5 % |
| 18 | 32 | BIKTARVY | HIV | N | 23 | 2 | \$91,058 | \$3.16 | 23 | 2 | \$84,207 | \$3.11 | 1.6 % |
| 19 | 378 | SAPROPTERIN DIHYDROCHL | ENZYME DEFICIENCIES | Y | 20 | 2 | \$89,890 | \$3.12 | 21 | 2 | \$256,523 | \$9.48 | -67.1 % |
| 20 | 66 | NGENLA | GROWTH DEFICIENCY | Y | 18 | 2 | \$87,380 | \$3.03 | 12 | 1 | \$75,138 | \$2.78 | 9.3 % |
| 21 | 25 | FARXIGA | DIABETES | N | 144 | 16 | \$79,126 | \$2.75 | 129 | 16 | \$67,194 | \$2.48 | 10.7 % |
| 22 | 88 | GENOTROPIN | GROWTH DEFICIENCY | Y | 17 | 2 | \$74,631 | \$2.59 | 15 | 1 | \$46,102 | \$1.70 | 52.2 % |
| 23 | 55 | OMNIPOD 5 DEXG7G6 PODS | (DIABETES | N | 104 | 11 | \$72,611 | \$2.52 | 98 | 10 | \$68,199 | \$2.52 | 0.1 % |
| 24 | 11 | JARDIANCE | DIABETES | N | 121 | 13 | \$70,549 | \$2.45 | 103 | 10 | \$56,594 | \$2.09 | 17.2 % |
| 25 | 327 | CIBINQO | ATOPIC DERMATITIS | Y | 13 | 1 | \$70,152 | \$2.44 | 5 | 2 | \$19,875 | \$0.73 | 231.8 % |
| Total Top 25 | | | | | 2,781 | | \$4,885,631 | \$169.69 | 1,930 | | \$3,027,765 | \$111.88 | 51.7 % |

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
JANUARY 26, 2026

The following Resolutions listed on the Consent Agenda will be enacted in one motion. Copies of all Resolutions are available to any person upon request. Any Commissioner wishing to remove any Resolution(s) to be voted upon, may do so at this time, and said Resolution(s) will be moved and voted separately.

Motion _____

Second _____

| | |
|--|----------------|
| Resolution 1-26: Professional Service Fees for 2026 | Page 44 |
| Resolution 2-26: Designation of Service of Process | Page 48 |
| Resolution 3-26: Designation of Secretary as Custodian of Records | Page 49 |
| Resolution 4-26: Designation of Official Newspaper | Page 50 |
| Resolution 5-26: Designation of Regular Meeting Times and Place..... | Page 51 |
| Resolution 6-26: Designation of Bank Depositories & CMP | Page 52 |
| Resolution 7-26: Designation of Authorized Signatories | Page 57 |
| Resolution 8-26: Approval of Risk Management Plan..... | Page 58 |
| Resolution 9-26: Appointment of MRHIF Fund Commissioners | Page 72 |
| Resolution 10-26: Establishing a plan for Compensating Producers | Page 73 |
| Resolution 11-26: Authorizing Treasurer to Process Contracted Payments and Expenses | Page 76 |
| Resolution 12-26: Adopting 2026 Wellness Grant Programs | Page 77 |
| Resolution 13-26: Approval of the November, December 2025 and January 2026 Bills List | Page 78 |

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
APPOINTING
PROFESSIONALS AND AWARDING CONTRACTS
FOR FUND YEAR 2026**

WHEREAS, the Southern Coastal Regional Employee Benefits Fund is duly constituted as a Health Benefits Joint Insurance Fund and is subject to certain requirements of the Local Public Contracts Law and the Local Unit Pay-to-Play Law; and;

WHEREAS, the Fund found it necessary and appropriate to obtain certain professional services and other extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A:11-4.1et seq.) for the 2026 Fund year; and,

WHEREAS, the Fund duly advertised for public receipt of competitive contracts providing the required twenty (20) days prior to receipt for CC# 24-29R in a fair and open manner, consistent with N.J.S.A.19:44A-20.4 et. Seq., and

WHEREAS, the Fund received competitive contracts for professionals on December 17, 2024,

WHEREAS, the Fund recommends the award of contracts to the below listed Professional Service Providers and service organizations based on a review of their responses, experience, and prior service provided at the rates established by the Executive Committee; and

WHEREAS, the process was administered as required by law by the Qualified Purchasing Agent who has concurred with the legality of the purchase in accord with the New Jersey Local Public Contract Law (N.J.S.A. 40A:11-1 et seq.); and

WHEREAS, the term of contract is (3) years as authorized under N.J.S.A.40A:11-4.1 et. Seq.

WHEREAS, the Fund resolved to appoint the Professionals – noted below –commencing on January 1, 2025 and ending on December 31, 2027 at its January 2025 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. seq. with the fees set for 2026 as outlined below;

NOW THEREFORE BE IT RESOLVED by the Executive Committee that the following Professional Service appointments and contract awards be and are hereby made for 2026:

- I. **Marmero Law, LLC** is hereby appointed to serve as the FUND's **Attorney**. The annual amount of \$26,530 has been appropriated in the Attorney Line Item of the 2026 budget.
- II. **Bowman & Company** is hereby appointed to serve as the FUND's **Auditor**. The annual amount of \$21,420 has been appropriated in the Auditor Line Item of the 2026 budget.

- III. **Point Accounting Group (Formerly Laracy Associates)** is hereby appointed to serve as the FUND's **Treasurer**. The annual amount of \$7,589 has been appropriated in the Treasurer Line Item of the 2026 budget.
- IV. **Verrill & Verrill** is hereby appointed to serve as the FUND's **Deputy Treasurer**. The annual amount of \$13,750 has been appropriated in the Treasurer Line Item of the 2026 budget.
- V. **Actuarial Solutions LLC (John Vataha)** is hereby appointed to serve as the FUND's **Actuary**. The annual amount of \$12,250 has been appropriated in the Actuary Line Item of the 2026 budget.

WHEREAS, the Fund duly advertised for public receipt of competitive contracts providing the required 20 days prior to receipt for CC# 24-21 (Executive Director) and CC# 24-22 (Program Manager) in a fair and open manner, consistent with N.J.S.A.19:44A-20.4 et. Seq., and

WHEREAS, the Fund received competitive contracts for professionals on December 17, 2024

WHEREAS, the Fund recommended the award of contracts to the below firms and service organization based on a review of their responses, experience and prior service provided at the rates established by the Executive Committee; and,

WHEREAS, the Fund resolved to appoint the extraordinary and other unspecifiable services contracts commencing on January 1, 2025 and ending on December 31, 2027 at its January 2025 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. seq. with the fees set for 2026 as outlined below:

- I. **PERMA Risk Management Services as Administrator (as subsidiary of Conner Strong and Buckelew)**, is hereby appointed as **Executive Director** and as **agent for process of service**. \$21.10 per employee, per month will be expended to the Administrator. The estimated annual amount of \$1,648,882 has been appropriated in the Administrator Line Item of the 2026 budget. In addition, the Executive Director will be paid \$40,000 for specialized claim and operations audit through a subcontractor.
- II. **Shared Health Alliance** is hereby appointed as **Program Manager**. \$40.98 per employee, per month will be expended to the Program Manager. In addition, the Program Manager will be paid \$248,910 per nurse with a \$10,000 Administrative Expenses per annum for the subcontracted **Guardian Nurse Program**. The estimated annual amount of \$3,201,849 has been appropriated in the **Program Manager** Line Item of the 2026 budget.

WHEREAS, the Fund resolved to appoint the extraordinary and other unspecifiable services contracts commencing on January 1, 2023 and ending on December 31, 2026 at its January 2023 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. seq. with the fees set for 2026 as outlined below:

- I. **Delta Dental** is hereby appointed to serve as the FUND's **Dental Claims Administrator**. \$3.40 per medical employee, per month will be expended to the TPA. The estimated annual amount of \$3,843 has been appropriated in the Dental TPA Line Item of the 2026 budget.
- II. **Advanta** is hereby appointed as **Wellness Program Provider**, the per employee, per month varies by member and is included in the chart below. \$4.08 per medical employee, per month will be expended to the provider. The estimated annual amount of \$90,673 has been appropriated for Advanta's annual fee in the Wellness Line Item of the 2026 budget.

WHEREAS, at the November 10, 2025 Fund Executive Committee meeting, the Fund approved Resolution 33-25 awarding the appointment of Medical TPA via emergency procurement process commencing on January 1, 2026 and ending on December 31, 2026 in accordance with a fair and open process pursuant to N.J.S.A. 40A:11-6 et. Seq.;

- I. **Aetna** is hereby appointed to serve as the FUND's **Medical Claims Administrator**. \$34.30 per employee, per month will be expended to the TPA. The estimated annual amount of \$1,936,990 has been appropriated in the Medical TPA Line Item of the 2026 budget.
- II. **AmeriHealth Administrators** is hereby appointed to serve as the FUND's **Medical Claims Administrator**. \$39.54 per medical employee, per month will be expended to the TPA, with the reduction of \$1.50 per employee, per month for wellness/marketing credit. The estimated annual amount of \$680,499 has been appropriated in the Medical TPA Line Item of the 2026 budget.

WHEREAS, the Fund duly advertised for public receipt of competitive contracts providing the required 20 days prior to receipt for CC# 24-24 (Aetna MA) in a fair and open manner, consistent with N.J.S.A.19:44A-20.4 et. Seq., and

WHEREAS, the Fund received competitive contracts for professionals on October 22, 2024,

WHEREAS, the Fund recommended the award of contracts to the below firms and service organization based on a review of their responses, experience and prior service provided at the rates established by the Executive Committee; and

WHEREAS the Fund resolved to appoint the extraordinary and other unspecifiable services contracts commencing on January 1, 2025 and ending on December 31, 2027 at its January 2025 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq. with the fees set for 2026 as outlined below;

Aetna Medicare Advantage is hereby appointed to serve as a Medicare Advantage service provider at per employee per month amount below. The annual amount of \$920,298 has been appropriated for this Line Item of the 2026 budget.

| Plan Name | Carrier | Renewal Premium |
|--|-----------------|------------------------|
| Aetna Medicare Advantage \$10 w/ \$6/\$12/\$24 Rx (Borough of Longport) | AETNA - MAPDP | 560.02 |
| Aetna Medicare Advantage (Salem County) | AETNA - MA | 254.97 |
| Aetna Medicare Advantage - MA (Pittsgrove Township) | AETNA - MA | 254.97 |
| Aetna Medicare Advantage \$10 w/ \$6/\$12/\$24 Rx (Buena Borough) | AETNA - MAPDP | 560.02 |
| Aetna Medicare Advantage \$10 w/ \$6/\$12/\$24 Rx (City of Margate) | AETNA - RXMAPDP | 560.02 |
| Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx (Cumberland County Improvement Authority) | AETNA - RXMAPDP | 463.34 |
| Aetna Medicare Advantage \$10 w/ \$6/\$12/\$24 Rx (Vineland Housing Authority) | AETNA - RXMAPDP | 560.02 |

BE IT FURTHER RESOLVED that each of the above shall serve pursuant to a Professional Service Contract, which will be entered into and a copy of which will be on file in the Fund's office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054 ;

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 2-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
APPOINTING
PERMA RISK MANAGEMENT SERVICES
AS AGENT FOR THE FUND
FOR PROCESS OF SERVICE FOR THE YEAR 2026**

BE IT RESOLVED by the Executive Committee of the Southern Coastal Regional Employee Benefits Fund that PERMA Risk Management Services is hereby appointed as agent for process of service upon the Fund, at its office located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054, for the year 2026 or until its successor has be appointed and qualified.

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 3-26

**RESOLUTION OF THE SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
DESIGNATING CUSTODIAN OF FUND RECORDS**

BE IT RESOLVED that Pasquale Yacovelli the Secretary of the Southern Coastal Regional Employee Benefits Fund is hereby designated as the custodian of the Fund records which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

**_____
SECRETARY**

RESOLUTION NO. 4-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
DESIGNATING
THE ATLANTIC CITY PRESS
THE OFFICIAL NEWSPAPER FOR THE FUND YEAR 2026**

WHEREAS, pursuant to P.L. 2025, c.72, effective March 1, 2026, public entities are required to publish all legal notices on their official websites, with a hyperlink to such notices prominently displayed on the homepage; and

WHEREAS, said law further requires public entities, for Fund Year 2026, to advertise at least twice per month in an eligible online news publication that legal notices may be viewed on the public entity's official website and to provide a hyperlink to the New Jersey Secretary of State's legal notice portal; and

WHEREAS, the Executive Committee of the Southern Coastal Regional Employee Benefits Fund desires to designate official media for the advertising of legal notices in compliance with P.L. 2025, c.72;

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the Southern Coastal Regional Employee Benefits Fund that the Atlantic City Press, each being an eligible online news publication, are hereby designated as the official media for the required twice-monthly advertisement of legal notices for Fund Year 2026; and

BE IT FURTHER RESOLVED that the official website of the Southern Coastal Regional Employee Benefits Fund located at www.coastalhif.com is hereby designated as the official electronic media site for the publication of all legal notices in accordance with applicable law.

SOUTHERN COASTAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 5-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
FIXING PUBLIC MEETING DATES
FOR THE YEAR 2026**

WHEREAS, under the Open Public Meetings Act of New Jersey, each public entity is required to publish the date and place for its public meetings;

NOW THEREFORE BE IT RESOLVED, by the Executive Committee of the Southern Coastal Regional Employee Benefits Fund that the Fund shall hold remote public meetings during the year 2026 on the dates and times set forth below at the following location:

| | | |
|--------------------|-----------------------------------|----------|
| March 30, 2026 | Greenview Inn Eastlyn Golf Course | 12:30 pm |
| June 1, 2026 | Greenview Inn Eastlyn Golf Course | 12:30 pm |
| July 27, 2026 | Greenview Inn Eastlyn Golf Course | 12:30 pm |
| September 28, 2026 | Greenview Inn Eastlyn Golf Course | 12:30 pm |
| October 26, 2026 | Greenview Inn Eastlyn Golf Course | 12:30 pm |
| January 25, 2027 | Greenview Inn Eastlyn Golf Course | 12:30 pm |

4049 Italia Ave, Vineland, NJ 08361

BE IT FURTHER RESOLVED that the public can find information about how to access the remote public meeting (if necessary) at the following link: <https://coastalhif.com/meeting-information/>

BE IT FURTHER RESOLVED that the Secretary of the Fund is hereby directed to publish a copy of this Resolution in the Press of Atlantic City and listed on the Fund Website (www.coastalhif.com)

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
DESIGNATING AUTHORIZED DEPOSITORYES FOR FUND ASSETS
AND ESTABLISHING CASH MANAGEMENT PLAN FOR 2026

BE IT FURTHER RESOLVED that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

1.) *Cash Management and Investment Objectives*

The SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND (hereinafter referred to as the FUND) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the FUND's economic surplus.

2.) *Permissible Investments*

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.

- e.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent the Division's own investment guidelines, and providing that the investment a fixed rate of interest not dependent on any index or external factors.
- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions establish by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

Wilmington Trust
Fulton Bank
Ocean First Bank

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through Wilmington Trust and other asset managers that may be selected by the Executive Board. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Fund's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow and payout factors, with factors supplied by the Fund Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All funds turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-15.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banking fees and compensating balances shall be documented to the Executive Committee by the Treasurer at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

The rate of interest on delinquent assessments shall be 10% per annum from the due date for any such assessment.

12.) Member Monthly Billing

To ensure timely billing and preservation of cashflow the Fund will follow this timeline and protocols as it relates to monthly invoices.

All enrollment changes must be entered into the system by the 15th of the month to reflect on the bill.

16th of the month - PERMA's Operations team will run and review all pre-bill audits.

Upon completion of the pre-bill audits - PERMA's Operations team will generate all invoices and associated billing reports. Review of adjustments are completed within 2 business days of being generated

Bills are sent to accounting for review and approval, thereafter.

Upon receipt of accountings approval, invoices are sent to members within two business days

Bills are due the 15th of the billed month. Payments not received by the 15th are subject to a 10% interest penalty. The penalty will start accruing on the 1st of that billed month until the payment is received by the Fund Treasurer.

EXAMPLE: March 2026 bill for \$100,000

Bill sent to member: February 15, 2026

Due Date: March 15, 2026

Member payment received: March 25, 2026.

Interest: March 1, 2026 – March 25, 2026: \$27.40 per day = **\$657.53**

**Interest will be added as a line-item adjustment on the next possible bill.*

If any of the dates outlined above fall on a weekend or holiday, the due date will be the next business day. If there is a delay on one client's bill, this will not hold up the distribution of any other of the Fund member bills.

All clients should review their bills immediately and report any discrepancies so they can be addressed before the next invoice is generated.

The Fund's policy is to pay as billed and necessary adjustments will be reflected on a future invoice.

The client will receive a delinquent notice via email if payment is not made within a reasonable amount of time.

To assure timely payment of monthly assessments, the Fund shall implement a process of automatically initiating transfers from member entity bank accounts into the Fund accounts after detailed monthly assessment invoices are supplied to the member entities.

BE IT FURTHER RESOLVED that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

ADOPTED: JANUARY 26, 2026

BY: _____

CHAIRPERSON

ATTEST: _____

SECRETARY

RESOLUTION NO. 7-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
RESOLUTION DESIGNATING
AUTHORIZED SIGNATURES FOR FUND BANK ACCOUNTS**

BE IT RESOLVED by the Southern Coastal Regional Employee Benefits Fund that all funds of the Southern Coastal Regional Employee Benefits Fund shall be withdrawn from the official named depositories, which shall bear the signatures of at least two (2) of the following persons who are duly authorized pursuant to this Resolution.

| | |
|-------------------------------------|---|
| Richard Davidson | - Chairman |
| Pasquale Yacovelli | - Secretary |
| Matthew Laracy | - Treasurer |
| Kenneth Verrill/or Lorraine Verrill | - Deputy Treasurer (one but never both) |

BE IT FURTHER RESOLVED that all checks must have the signature of at least one member of the Executive Committee (either the Chairman or Secretary).

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

**_____
SECRETARY**

RESOLUTION NO. 8-26

2026 RISK MANAGEMENT PLAN

Effective: JANUARY 1, 2026

BE IT RESOLVED that the following shall be the Fund's Risk Management Plan for the 2026 Fund year:

1.) COVERAGE OFFERED

- Medical

The medical plans offered by the Fund include standard "preferred provider organization", "traditional", "point of services", and "health maintenance organization" plan designs. These plans have both in network and out of network benefits and are customized to the needs and specifications of the members. The Fund also offers "low cost plans" to allow members options to comply with contribution requirements under Chapter 78 and for those covered under Chapter 44. Included as options are: a health savings account, a core PPO program, and a buy up PPO program, an HMO program, a Consumer Directed Health Plan and the plans for those covered under Chapter 44. The Fund also offers Medicare Advantage programs.

- Dental

The Fund offers customized dental plans as required by the members.

- Prescription

The Fund offers customized prescription plans as required by the members including plans that are coordinated with the low cost medical plans. The Fund also offers "Employer Group Waiver Plans" for Medicare eligible retirees.

- Vision

The Fund offers customized vision plans as required by the members.

2.) LIMITS OF COVERAGE

Limits of coverage vary by member and plan design.

3.) RISK RETAINED BY THE FUND

The Fund takes no risk on Medicare Advantage and Employer Group Waiver Plan fully-insured policies purchased for Medicare retirees.

Pre-Medicare retirees and active employees and their dependents are covered by self-insured plans. Risk retained by the Fund for these plans is summarized as follows:

Medical and Prescription:

Specific Coverage: The Fund self-insures for the first \$500,000 per person per agreement year and obtains reinsurance through its membership in the Municipal Reinsurance Health Insurance Fund “MRHIF” for claims in excess of its self-Insured Retention “SIR” to an unlimited maximum per person per contract period (incurred in 12 months paid in 24 months).

Basis: Incurred 12 months, paid 24 months.

Extra contractual claims are excluded from reinsurance coverage.

Dental Specific and Aggregate Claims Coverage:

The FUND does not purchase either aggregate or specific coverage for dental claims.

4.) ASSUMPTIONS AND METHODOLOGY TO CALCULATE CLAIM RESERVES.

The Fund complies with statutory accounting standards and establishes reserves on the probable total claim costs at the conclusion of the Fund Year. Each month, the accrual in the general ledger for claim reserves, including IBNR, is adjusted based on earned underwriting income and the number of months since the inception of the Fund Year. This accrual is periodically adjusted, but not less frequently than annually, in accordance with the actuary's certifications.

5.) METHODS OF ASSESSING CONTRIBUTIONS TO MEMBERS

At least one month before the end of the Fund Year, the Fund adopts a budget for the upcoming year based on the most recent census, the claims experience for the current Fund Year and other applicable accounting and actuarial factors. Per employee rates are computed for each line of coverage for each Fund member, and are approved by the Fund as a part of the budget adoption process. These rates are used to compute the members' monthly assessment based on the updated census, and monthly billings are mailed to the members approximately 15 days before the beginning of the month. The billing also includes the member's updated census for verification each month by the local entity. Retroactive adjustments for enrollment changes are limited to 2 months. Former employees (COBRA, Conversion and some Retirees) and, in some cases, Dependents under age 31, are billed directly by the Fund. Should there be a need to enroll or terminate an employee past 60 days due to a missed open enrollment period or a qualified life event, the member must submit this request in writing. The Fund Small Claims

Committee will anonymously review each request, including the fiscal impact to the Fund. The Committee will approve/deny the request within 45 days.

Members that renew on January 1 have the option of taking a payment deferment by paying their December assessment in the subsequent month of January. Members that renew on July 1 have the option of taking a payment deferment by paying their June assessment in the subsequent month of July. Members that choose to take such deferments shall advise the Fund Executive Director's office in writing at least one month prior to taking the deferment

6.) COVERAGE PURCHASED FROM INSURERS AND PARTICIPATION IN THE MUNICIPAL REINSURANCE HEALTH INSURANCE FUND (MRHIF)

The Fund provides coverage on a self-insured basis, and secures excess insurance to cap the Funds' specific (i.e. per enrolled covered person per policy year) retention and aggregate retention. The Fund is a member of the Municipal Reinsurance Health Insurance Fund (MRHIF). The MRHIF retains claims above the Fund's local specific retention and purchases an excess insurance policy that is filed with the Department of Banking and Insurance in accordance with the applicable regulations. The MRHIF also purchases an aggregate excess insurance policy on behalf of the Fund and the other members.

7.) REINSURANCE

Reinsurance will be provided by the Fund obtaining membership in the Municipal Reinsurance Health Insurance Fund. Risk will be retained by the Fund in accordance with Section 3.) above.

8.) THE INITIAL AND RENEWAL RATING METHODOLOGIES

Upon application to the Fund, a prospective member's benefit program is reviewed by the actuary to determine its projected claim cost. In this evaluation, the actuary takes into consideration:

- a.) age/sex factor as compared to the average for the existing Fund membership;
- b.) the plan of benefits for the prospective member; and
- c.) loss data if available.

The actuary then recommends a relativity factor to either the Fund's base rates or to the rates being paid by the entity. This recommendation requires Fund approval before the prospective member is admitted to the Fund.

Rates for all members are adjusted at the beginning of each Fund year to reflect the new budget. The adjustment reflects the overall cash flow needs of the Fund, and actuarial factors needed to assure that

individual entity rates reflect the risk profile of the member. The Fund may implement individual entity loss ratio adjustments based upon recommendations from the Fund actuary. The Fund may also adopt mid Fund year rate changes to reflect changes in plan design, participation in lines of coverage, or a budget amendment. Additionally, if a member terminates a line of coverage but continues membership for other lines of coverage, the rates for the other lines of coverage may be adjusted and the member shall not be eligible for membership in the dropped line of coverage for a three year period.

Loss experience data used by the Fund to determine loss ratio adjustments will be made available twice per year to members at no additional cost. "Loss experience data" is defined as monthly claims and assessments for a three year period including de-identified specific claims at 50% of the Fund's self-insured retention. Requests for additional claims data from Fund members will be considered based upon the availability of data, the feasibility of extracting the data, and conditioned upon the member reimbursing the Fund or its vendors for data extraction and formatting costs.

Unless otherwise authorized as part of the offer of membership, when a member joins during a FUND year, the member's initial rates are only valid through the end of the then current FUND year at which time the rates are adjusted for all members to reflect the new budget. Prospective members may be offered entry rates of up to eighteen (18) months to allow for the alignment of renewals with the fiscal years of the FUND or of the entity.

9.) RATING PERIODS

All rating periods for municipal members coincide with the Fund (calendar) year while rating periods for school members can either coincide with their fiscal year (July 1 to June 30) or the Fund year. The Fund offers school entities the option of either Fund year or fiscal year renewals.

10.) FACTORS IF RATES FOR MEMBERS JOINING THE FUND DURING A FUND YEAR ARE TO BE ADJUSTED.

Unless otherwise authorized as part of the offer of membership, where a member joins during a Fund year, the member's initial rates are only valid through the end of that Fund year or, for schools, fiscal year, at which time the rates are adjusted for all members to reflect the new budget. Former members of the Fund cannot rejoin the Fund for a period of three (3) years after the date of the termination of their membership in the Fund.

11.) PROVISION FOR PPOs AND ALTERNATIVE PLAN DESIGNS

The Fund offers employees the option of selecting various plans depending upon member bargaining agreements. Generally, it is the policy of the Fund to encourage selection of lower cost plan designs as opposed to traditional indemnity plans, and the Fund provides promotional material to assist members in employee communication programs concerning optional plan designs.

12.) OPEN ENROLLMENT PROCEDURES

All members have an open enrollment period no later than the first month of their joining the Fund. Participating employees also have an open enrollment period in the fall or at other times designated by the Fund before the beginning of each calendar year during which they may switch between plan options. The changes shall be effective at the beginning of the Fund Year.

Open enrollment periods shall be scheduled by the Fund at least yearly for each member and as is otherwise required to comply with plan document requirements and to effectuate plan design, network changes, and plan migrations.

13.) COBRA AND CONVERSION OPTIONS

The Fund provides COBRA coverage at a rate equal to the member's current rate and benefit plan design, plus the appropriate administrative charge. The Fund has arranged for a COBRA administrator to enroll eligible participants and to collect the premium. Where provided for in a member's plan document, the Fund provides a conversion option at rates established by the Fund. Unless otherwise specified in the member's plan document, the conversion option duplicates the conversion option offered by the SHBC. The Fund's coverage for individuals covered under COBRA or conversion options shall terminate effective the date the member withdraws from the Fund, or otherwise ceases to be a member of the Fund or in the event of nonpayment of applicable charges.

14.) DISCLOSURE OF BENEFIT LIMITS

The Fund discloses benefit limits in plan booklets provided to all covered employees.

15.) PARTICIPATION RULES WHEN ALL OR PART OF THE PREMIUM IS DERIVED FROM EMPLOYEE CONTRIBUTIONS

All assessments, including additional assessments and dividends are the responsibility of the member, not the employee or former employee. Employee contributions, if any, are solely an internal policy of the member which shall not impact on the member's obligations to the Fund or confer any additional rights to the employees. Where the Fund directly bills an employee, (i.e. COBRA, etc.), this shall be considered as a service to reduce the member's administrative burden, and the member shall be responsible in the event of non-payment.

16.) RETIREES

The Fund duplicates coverage for eligible retirees and uses the rates established by the Fund actuary. The Fund's coverage of a retiree shall terminate effective the date the member local unit withdraws from

the Fund, or otherwise ceases to be a member of the Fund or in the event of nonpayment of applicable charges.

17.) NEWBORN CHILDREN

All plan documents will have the following language:

“You may remove family members from the policy at any time, but you may only add members within sixty (60) days of the change in family status (marriage, birth of a child, etc.). It is your responsibility to notify your employer of needed changes. If family members cease to be eligible, claims will not be paid. The actual change in coverage (and the corresponding change in premium) will not take place until you have formally requested that change. Newborn children, but not grandchildren of an eligible employee, shall be automatically covered from birth for (60) days, even if not enrolled within the required sixty (60) days. In the event of an eligible dependent giving birth to a child, (a grandchild) benefits for any hospital length of stay in connection with childbirth for the mother or newborn grandchild will apply for up to 48 hours following a vaginal delivery, or 96 hours following a cesarean section. However, the mother's or newborn grandchild's attending provider, after consulting with the mother, may discharge the mother or her newborn grandchild earlier than 48 hours (or 96 hours as applicable).”

18.) PLAN DOCUMENT

The Fund prepares a plan document and benefit plan booklets for each member local unit (or each employee bargaining group within a member local unit as the case may be), and an employee handbook provides a summary of the coverage provided by the plan. Each booklet (or certificate) shall contain at least the following information and be provided to all covered employees within thirty (30) days of coverage being effective.

A.) General Information

- Enrollment procedures and eligibility.
- Dependent eligibility.
- When coverage begins.
- When can coverage be changed.
- When does coverage end.
- COBRA provisions.
- Conversion privilege
- Enrollment forms and instructions.

B.) Benefits

- Definitions.
- Description of benefits.
- Eligible services and supplies.

- Deductibles and co-payments.
- Examples as needed.
- Exclusions.
- Retiree coverage, before age 65 or after (if any)

C.) Claims Procedures

- Submission of claim.
- Proof of loss.
- Appeal procedures. Shall be in accordance with applicable governing law. See also Plan Document and FUND Risk Management Plan and Bylaws

D.) Cost Containment Programs

- Pre-admission.
 - Second surgical opinion.
 - Other cost containment programs.
 - Application and level of employee penalties.
- Second surgical opinion.
- Case Management
- Other cost containment programs
- Application and level of employee penalties.

19.) BENEFITS CURRENTLY PROVIDED TO COVERED EMPLOYEES BY EACH MEMBER AND BENEFITS PROPOSED TO BE PROVIDED BY THE FUND.

SEE PLAN DOCUMENT OF EACH MEMBER ENTITY

20.) PROCEDURES FOR THE CLOSURE OF FUND YEARS

Approximately six months after the end of a Fund year, the Fund evaluates the results to determine if dividends or additional assessments are warranted. Most claims are paid within twelve months of year end, and at that time the Fund begins to consider closing the year, unless excess insurance recoveries are pending or litigation is likely. The Fund has determined that maintaining and retaining a surplus equal to two and a half (2.5) months of the current year claim expenses is a benchmark prior to a dividend being declared from surplus generated by claims operations.

Fully insured plans are not considered in surplus retention. Entities with only Medicare Advantage/Employer Group Waiver Programs are not included in closed year balance shares.

When the Fund determines that a Fund year should be closed:

A reserve is established by the actuary to cover any unpaid claims or IBNR

The Fund decides on the final dividend or supplemental assessment.

A closure resolution is adopted transferring all remaining assets and liabilities of that Fund year to the "Closed Fund Year/Contingency Account".

Each member's pro rata share of the residual assets are computed and added to its existing balance in the Closed Fund Year/Contingency Account. Any member who has withdrawn from the Fund shall receive its remaining share of the Closed Fund Year/Contingency Account six years after the date of its withdrawal.

- Any member that has withdrawn from the Coastal Fund shall receive its remaining share of the Closed Fund Year/Contingency Account on the following schedule:
 - 3rd year after withdrawal – 25% of balance
 - 4th year after withdrawal – 25% of balance
 - 5th year after withdrawal – 25% of balance
 - 6th year after withdrawal – Remaining balance

21.) MAXIMUM APPROVAL AMOUNT FOR CERTIFYING & APPROVING OFFICER

1. The Fund Treasurer may issue checks or initiate wire transfers in payment of medical claims, as submitted by the third party administrator responsible for handling the Fund's medical claims, as necessary in order to fulfill the Fund's claim funding obligations under the applicable service provider contract between the Fund and the third party administrator. The certifying and approving officer shall prepare a report of all claims approved by him or her since the last report, detailing the nature and amount of the claim, the payee, the reasons supporting payment and any other pertinent information. This report shall be submitted to the Executive Committee of the Fund at their next scheduled meeting. The Executive Committee shall review and approve the actions of the certifying and approving officer. In the event a claim approved and paid by the certifying and approving officer is not approved by the Executive Committee, they shall direct appropriate action to be taken.

2. Delta Dental shall issue checks for the payment of dental claims in the amount of \$.0 to \$5,000 on the adjudication and signature solely of duly authorized Delta Dental personnel.

3. All dental claims, if any, in excess of \$5,000 shall require the approval, at a regularly scheduled meeting, of the Executive Committee of the Fund after obtaining appropriate certifications and making such other inquiries as are reasonable. Checks issued pursuant to any such approval shall be countersigned by a duly authorized representative of the Executive Director.

4. The terms "claims" as herein utilized shall refer to the issuance of any particular check, provided however that no bills shall be split for the purpose of avoiding the requirements hereof.

5. In addition to the claim payment procedure, Delta Dental shall also notify the Executive Committee in writing whenever the cumulative payments to any covered person for a single illness or injury (including related illnesses and injuries) exceeds \$30,000.

22.) “RUN-IN” or “RUN-OUT” LIABILITY

The Fund covers the “run-out” liability of all members - i.e., liability for claims incurred but not reported by a former Fund member during the period it was a member. Upon approval of the Executive Committee, the Fund may also cover the run-in liability of a prospective member (i.e., the liability for claims incurred but not reported by a prospective member in connection with the provision of health benefits during the period prior to joining the Fund). When the Fund covers run-in liability, the prospective member shall be assessed the expected ultimate cost of run-in claims, as certified by the Fund’s actuary and approved by the Executive Committee. The assessment shall be paid entirely within the Fund Year the member joined the Fund.

23.) CLAIM AUDIT

The Fund retains a claim auditor experienced in auditing self-insured health plans. The audit will be conducted upon completion of the first Fund Year after the Fund’s inception and at least once every three years thereafter. The Fund can conduct this audit on its own, or in a cooperative effort with other Funds through the Municipal Reinsurance Health Insurance Fund.

24.) AUTHORITY OF CLAIM APPEAL COMMITTEE AND INDEPENDENT REVIEW ORGANIZATIONS

The TPA shall initially review all appeals and shall prepare a memo summarizing the relevant facts and issues involved in the appeal.

The TPA shall provide the Program Manager, Executive Director and the Fund Attorney with a copy of the memo, which has been prepared concerning the appeal.

The TPA, Program Manager, Executive Director and Fund Attorney shall confer concerning the merits of an appeal and they shall render a decision concerning the appeal provided that the appeal is

- (a) In an amount not greater than \$5,000.00 and/or
- (b) Has been reviewed and recommended for approval by an independent, third party medical review consultant.

If the decision of the TPA, Program Manager, Executive Director and Fund Attorney is to pay the claim, then the TPA is hereby authorized to issue the necessary check in payment of the claim.

The Executive Committee of the Fund shall formally confirm the decision of the TPA, Program Manager, Executive Director and Fund Attorney to pay the claim and ratify the payment issued pursuant to that decision at the next meeting of the Executive Committee.

- If the decision of the TPA, Program Manager, Executive Director and Fund Attorney is to deny the claim, the appeal shall be subject to the “adverse benefit determination” appeal process that is required pursuant to applicable law. The plan participant (hereinafter sometimes referred to as “claimant”) shall at that time be advised that the adverse benefit determination may be appealed to the Fund's Independent Review Organization (“IRO”). The claimant's identity shall be revealed only upon the written request of the claimant. A copy of such written request with respect to disclosure of the claimant's name shall be sent to the Program Manager.

a. An appeal of an adverse benefit determination must be filed by the claimant within four (4) months from the date of receipt of the notice of the adverse benefit determination. The claimant shall submit a written request to the Program Manager to appeal an adverse benefit determination and/or final internal adverse benefit determination made by the TPA and the written request shall be accompanied by a copy of the determination letter issued by the TPA.

1. The Program Manager will conduct a preliminary review within five (5) business days of the receipt of the request for an external review. There is no right to an external review by the IRO if (i) the claimant is or was not eligible for coverage at the time in question or (ii) the adverse benefit determination or final internal adverse benefit determination is based upon the failure of the claimant or covered person to meet requirements for eligibility under the Plan or (iii) the claimant is not eligible due to the benefit/coverage being an excluded benefit or not included as a covered benefit. The Program Manager shall notify the claimant if (a) the request is not eligible for external review; (b) that additional information is needed to make the request complete and what is needed to complete the request; or (c) the request is complete and is being forwarded to the IRO.

2. The Program Manager shall then forward an eligible, complete request for external review to the IRO designated by the Fund who shall be required to conduct its review in an impartial, independent and unbiased manner and in accordance with applicable law.

3. The assigned IRO will provide timely written notice to the claimant of the receipt and acceptance for external review of the claimant's request and shall include a statement that the claimant may submit, in writing and within ten (10) business days of the receipt of the notice, additional information which shall be considered by the IRO when conducting the external review. Upon receipt of any information submitted by the claimant, the IRO, within one (1) business day, shall forward the information to the Program Manager who may reconsider the adverse benefit determination or final internal adverse benefit determination and, as a result of such reconsideration, modify the adverse benefit determination or final internal adverse benefit determination. The Program Manager shall provide prompt written notice of any such modification to the claimant and the IRO.

4. The Program Manager, within five (5) business days of the assignment of the IRO, shall deliver to the IRO any documents and information considered in making the adverse benefit determination or the final internal adverse benefit determination. The IRO may terminate the external review and decide to reverse the adverse benefit determination or final internal adverse benefit determination if the Program Manager does not provide such information in a timely manner. In such event, the IRO shall notify the claimant and the Program Manager of the decision within one (1) business day.

5. The IRO shall complete the external review and provide written notice of its final external review decision within forty-five (45) days of the receipt of the request for the external review. In the case of a request for expedited external review of an adverse benefit determination or final internal adverse benefit determination where delay would seriously jeopardize the life or health of the claimant or the ability to regain maximum function, the IRO shall provide notice of the final external review decision as expeditiously as possible but in no event more than 72 hours after the receipt of the request for an expedited external review. If the notice is not in writing, the IRO must provide written confirmation of the decision to the claimant and the Program Manager within 48 hours after providing that notice in the case of an expedited external review. The IRO shall deliver notice of its final external review decision to both the claimant and the Program Manager for all external reviews conducted. The notice of decision shall contain:

- (i) a general description of reason for the external review with sufficient information to identify the claim, claim amount, diagnosis and treatment codes and reason for previous denial;
- (ii) the date the IRO was assigned and date of the IRO's decision;
- (iii) references to the documentation/information considered;
- (iv) a discussion of the rationale for the IRO's decision and any evidence-based standards relied upon in making the decision;
- (v) a statement that the decision is binding on the claimant and the Fund subject to the claimant's right to seek judicial review of the same; and
- (vi) that the claimant may contract the New Jersey health insurance consumer assistance office at NJ Department of Banking and Insurance, 20 West State Street, PO Box 329, Trenton, NJ 08625, phone (800) 446-7467 or (888) 393-1062 (appeals) website: <http://www.state.nj.us/dobi/consumer.htm> e-mail address: ombudsman@dobi.state.nj.us/

25.) ENROLLMENTS AND TERMINATIONS PAST 60 DAYS

Enrollments and terminations can be processed up to 60 days in the past. Should there be a need to enroll or terminate an employee past 60 days due to a missed open enrollment period or a qualified life event, the member must submit this request in writing. The Fund Small Claims Committee will

anonymously review each request, including the financial impact to the Fund. The Committee will approve/deny the request within 45 days.

26.) PARTIAL MONTH ENROLLMENTS

When processing enrollments and terminations, the Fund will charge a member for a full month rate for an employee that is enrolled between the 1st and the 15th of the month, but will charge the member in the following month if an enrollment occurred between the 16th and the 31st of the month. If a member should term between the 1st and the 15th of the month, the Fund will not charge the member a rate for the enrollment, but will charge a full month rate if a member terms between the 16th and the 31st of the month.

27.) MEDICARE ADVANTAGE/EGWP ONLY

The Fund may offer retiree coverage with a fully insured Medicare Advantage and/or Employer Group Waiver Program membership to an entity that does not have its active members in the Fund. The carrier will provide the Fund with a per employee, per month cost for a plan that matches equal to, or better to the current retiree plan. The Fund may add additional expenses to the price per employee. The entity would be required to sign an Indemnity and Trust agreement.

28.) TERMINATION OF ALL LINES OF COVERAGE

When an entity terminates its membership from the Fund all lines of coverage in the Fund are terminated unless otherwise determined by the Executive Committee.

29.) MEMBER MONTHLY BILLING POLICY

To assure timely billing and preservation of cashflow the Fund has developed the following timeline and protocols as it relates to monthly invoices.

Please note, all changes must be entered in the system by the 15th of the month to reflect on the bill.

16th of the month – PERMA's Operations team will run and review all pre-bill audits.

Upon completion of the pre-bill audits – PERMA's Operations team will generate all invoices and associated billing reports. Review of adjustments are completed within 2 business days of being generated

Bills are sent to accounting for review and approval

Upon receipt of accountings approval, invoices are sent to members within two business days

Bills are due 45 days of receipt. Payments not received within 45 days are subject to a 10% interest penalty. If any of the dates outlined above fall on a weekend or holiday, the due date will be the next business day.

If there is a delay on one client's bill, this will not hold up the distribution of any other of the Fund's bills.

All clients should review their bills immediately and report any discrepancies so they can be addressed before the next invoice is generated.

The Fund's policy is to pay as billed and necessary adjustments will be reflected on a future invoice.

The client will receive a delinquent notice via email if payment is not made within a reasonable amount of time.

28.) QUALITY AND CLINICAL PLAN MANAGEMENT

The FUND shall have right to review, evaluate, and then implement certain Quality and Clinical Management programs related to the Medical, Pharmacy and Dental plans, as may be warranted from time to time, to address new and emerging issues related to the effective administration of the FUND. None of the programs shall constitute a change in benefit and shall not increase participant cost sharing. These programs may include and is not limited to Pharmacy and Medical quality and utilization programs that require a plan member to participate in a program intended to manage quality and improve outcome. If adopted by the FUND, such programs shall apply to all members of the FUND. The FUND shall utilize a formulary of preferred medications. The formulary will change from time to time as managed by the FUND's contracted Pharmacy Benefit Manager. Any changes to the formulary impacting a plan member will be addressed through advance notice to plan members. There will always be alternative medications available in each therapeutic class.

- Drug Utilization Management – The FUND may adopt or amend drug utilization management programs intended to impact the appropriate use of medications. These may include and are not limited to step therapy, generics preferred, formulary, retail network, prior authorization, and other programs provided for by the FUND's contracted Pharmacy Benefit Manager.
- Medical Care Management – The FUND may adopt or amend medical management plans intended to ensure member safety and efficacy of the health care program. This may include and not be limited to programs provided by the FUND's contracted Third-Party Administrator or others that can administer such programs.
- Out of Network Fee Schedules - The FUND shall adopt and amend the out of network fee schedule ("the schedule") used from time to time. The schedule shall be based on an independent methodology, generally Medicare plus a markup (i.e., 150% of Medicare) that ensures fairness and reasonableness related to the provider type, type of procedure and geography. If adopted by the FUND such programs shall apply to all members of the FUND. Individual members may separately be exempted from the application of such

programs only with the express approval of the TRUSTEES and after agreeing to an appropriate rate adjustment.

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 9-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
APPOINTING OF FUND COMMISSIONER, ALTERNATE FUND COMMISSIONER TO THE
MUNICIPAL REINSURANCE HEALTH INSURANCE FUND**

WHEREAS, The Southern Coastal Regional Employee Benefits Fund has agreed to join the Municipal Reinsurance Health Insurance Fund; and

WHEREAS, by virtue of the conditions of membership contained in the by-laws of the fund, the Southern Coastal Regional Employee Benefits Fund must appoint a Fund Commissioner, and an Alternate;

NOW THEREFORE BE IT RESOLVED, Southern Coastal Regional Employee Benefits Fund as follows:

1. That _____ is hereby appointed as Fund Commissioner.
2. That _____ is hereby appointed as Alternate.

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
ESTABLISHING PLAN FOR COMPENSATING PRODUCERS LICENSED PURSUANT TO
N.J.S.A. 17:22A-1 ET SEQ AND REPRESENTING MEMBER ENTITIES**

WHEREAS, The Southern Coastal Regional Employee Benefits Fund permits member entities that designate a producer or risk manager to represent them in dealings with the Fund through subcontracts with the Program Manager; and

WHEREAS, Pursuant to N.J.A.C. 11:15-3.6 (e) 15, producer arrangements must be formally determined by the Fund and filed with the Department of Banking and Insurance; and

NOW THEREFORE BE IT RESOLVED, that the Southern Coastal Regional Employee Benefits Fund establishes the following producer plan for 2026;

1. The Fund will include producer compensation in each entity's assessments using the compensation levels as disclosed to and approved by the member entity.
2. Each producer shall sub-contract with the Program Manager.
3. The following sub-producers with the designated compensation levels are approved for 2026:

NOW BE IT FUTHER RESOLVED, effective March 1, 2026 the Southern Coastal Regional Employee Benefits Fund establishes the following producer plan for 2026;

1. The Fund will include producer compensation in each entity's assessments using the compensation levels as disclosed to and approved by each member entity.
2. Each producer will contract directly with the group and will provide the Broker of Record (BOR) letter to the Fund.
3. The following producers with the designated compensation levels, stated in per employee per month contractual amounts, are approved for 2026:

| | | |
|--------------------|------------------|---------|
| Absecon City | Glenn Insurance | \$48.45 |
| Bridgeton BOE | Allen Associates | \$37.28 |
| Bridgeton City | Allen Associates | \$12.90 |
| Brigantine City | Brown and Brown | \$41.88 |
| Buena Borough | Allen Associates | \$55.30 |
| Buena MUA | Allen Associates | \$35.76 |
| Buena Regional BOE | Allen Associates | \$41.86 |
| Cumberland County | Allen Associates | \$20.62 |

| | | |
|--|---|---------|
| Cumberland County Charter School Network | Allen Associates | \$25.95 |
| Cumberland County Technical Education Center | Allen Associates | \$30.92 |
| Cumberland Regional BOE | Allen Associates | \$33.64 |
| Dennis Township BOE | Brown and Brown | \$32.02 |
| Downe Township BOE | Allen Associates | \$19.60 |
| Egg Harbor Township | Hafetz | \$38.72 |
| Hopewell BOE | Allen Associates | \$35.83 |
| Lawrence Township BOE | Conner Strong and Buckelew | \$35.41 |
| Longport | Professional Benefit Consultants | \$56.15 |
| Lower Cape May Regional School District | J Bryne Agency | \$32.13 |
| Lower Township BOE | J Bryne Agency | \$41.63 |
| Margate City | Professional Benefit Consultants PBC; Brown & Brown | \$48.18 |
| Middle Twp BOE | Allen Associates | \$57.62 |
| Millville BOE | Allen Associates | \$34.11 |
| Millville City | Allen Associates | \$21.10 |
| Mullica | Allen Associates | \$55.47 |
| Northfield | Hardenbergh Insurance | \$66.76 |
| Ocean City BOE | Brown and Brown | \$40.80 |
| Penns Grove | Conner Strong and Buckelew | \$32.54 |
| Penns Grove Carney's Point Schools | Conner Strong and Buckelew | \$36.10 |
| Pittsgrove Township | Hardenbergh Insurance | \$61.20 |
| Salem County | Insurance Solutions | \$24.79 |
| Somers Point BOE | Allen Associates | \$67.74 |
| The Authority | AR Fanucci | \$40.35 |
| Upper Deerfield BOE | Allen Associates | \$36.35 |
| Upper Township BOE | J Bryne Agency | \$33.76 |
| Vineland BOE | Allen Associates | \$22.22 |
| Vineland Housing Authority | Professional Benefits Consultants | \$33.47 |
| Waterford Township BOE | Cornerstone Insurance Group | \$75.25 |
| West Cape May BOE | J Bryne Agency | \$39.39 |
| Woodstown Borough | Allen Associates | \$19.10 |

4. This schedule may be amended upon written notification of each listed member entity.

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 11-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
AUTHORIZING COMMISSION TREASURER TO PROCESS
CONTRACTED PAYMENTS AND EXPENSES**

WHEREAS, the Executive Committee has deemed it necessary and appropriate to provide authorization to the Fund Treasurer to pay certain Fund contracted payments and expenses during the month(s) when the Commission does not meet; and

WHEREAS, payment by the Fund Treasurer of contracted payments and expenses for the month(s) in which the Fund does not meet shall be ratified by the Fund at its next regularly scheduled meeting; now, therefore,

BE IT RESOLVED by the Executive Committee of the Southern Coastal Regional Employee Benefits Fund that the Fund Treasurer is hereby authorized to process the contracted payments and Fund expenses for all months in which the Fund does not meet during the year 2026.

BE IT FURTHER RESOLVED that the Executive Committee of the Southern Coastal Regional Employee Benefits Fund shall ratify the contracted payments and Fund expenses so paid by the Fund Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

**_____
SECRETARY**

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
ADOPTING 2026 WELLNESS GRANT PROGRAMS**

WHEREAS, the Southern Coastal Regional Employee Benefits Fund (hereinafter the Fund) is duly constituted as a joint insurance fund and is subject to certain requirements of the Local Public Contracts Law; and;

WHEREAS, the Executive Committee set forth a budget for the Fund year of January 1, 2026 through December 31, 2026 This budget includes \$281,770 for individual member wellness grants;

WHEREAS, Vineland Board of Education, Upper Township Board of Education, Millville Board of Education, Egg Harbor Township, Buena Regional Board of Education, Cumberland Regional Board of Education, Alloway Township Board of Education and the City of Margate submitted applications for a wellness grant through the Southern Coastal Regional Employee Benefits Fund which was presented and approved by the Wellness Committee;

WHEREAS, the projected program and requested funds in the amounts listed below were deemed appropriate for the objectives of the Fund wellness grant program

1. Vineland BOE - \$25,200
2. Upper Twp BOE - \$9,630
3. Millville BOE - \$23,905
4. Egg Harbor Twp - \$11,000
5. Buena Reg BOE - \$10,620
6. Cumberland Reg BOE - \$7,670
7. Alloway Twp BOE - \$2,250
8. City of Margate - \$6,370

NOW THEREFORE BE IT RESOLVED, on January 26, 2026 the Executive Committee of the Southern Coastal Regional Employee Benefits Fund approved Wellness Grant Programs for 2026.

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 13-26

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE NOVEMBER 2025, DECEMBER 2025 AND JANUARY 2026 BILLS LIST**

WHEREAS, the Southern Coastal Regional Employee Benefits Fund held a Public Meeting on **JANUARY 26, 2026** for the purposes of conducting the official business of the Fund; and

WHEREAS, The Treasurer for the Fund presented bills lists to satisfy outstanding costs incurred for operating the Fund during the months of November 2025, December 2025 and January 2026 for consideration and approval of the Executive Committee; and

WHEREAS, The Treasurer for the Fund presented a Treasurers Report which detailed the claims payments and imprest transfers for the Fund for the Month of November for all Fund Years for consideration and approval of the Executive Committee; and

WHEREAS, a quorum of the Executive Committee was present thereby conforming with the By-laws of the Fund to conduct official business of the Fund,

NOW THEREFORE BE IT RESOLVED the Commissioners of the Executive Committee of the Southern Coastal Regional Employee Benefits Fund hereby approve the Bills List for November 2025, December 2025 and January 2026 prepared by the Treasurer of the Fund and duly authorize and concur said bills to be paid expeditiously, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

NOW, THEREFORE BE IT FURTHER RESOLVED, the Commissioners of the Executive Committee of the Southern Coastal Regional Employee Benefits Fund hereby approve the Treasurers Report as furnished by the Treasurer of the Fund and concur with actions undertaken by the Treasurer, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

ADOPTED: JANUARY 26, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
OCTOBER 27, 2025
THE GREENVIEW INN AT EASTLYN GOLF COURSE, VINELAND NJ
12:30 PM

Meeting of Executive Committee called to order by Executive Director, Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF THE 2025 EXECUTIVE COMMITTEE

| | | |
|--------------------|-------------------------------|---------|
| Richard Davidson | Chair | Present |
| Pasquale Yacovelli | Secretary | Present |
| Jerry Velazquez | Executive Committee | Absent |
| Megan Duffield | Executive Committee | Absent |
| Laurie Ryan | Executive Committee | Absent |
| Scott Musterel | Executive Committee | Present |
| Mark Mallet | Executive Committee | Present |
| Frank Badessa | Executive Committee Alternate | Present |
| Dennis Zakroff | Executive Committee Alternate | Absent |
| Kevin Smaniotto | Executive Committee Alternate | Absent |

PRESENT FUND PROFESSIONALS:

FUND ADMINISTRATOR:

PERMA Risk Management

Emily Koval
Jordyn Robinson
James Rhodes

FUND AUDITOR:

Dennis Skalkowski - Absent

FUND ATTORNEY:

John Carlton

PROGRAM MANAGER:

Shared Health Alliance

Rich Allen

FUND TREASURER:

Lorraine Verrill

AETNA:

Jason Silverstein

AMERIHEALTH:

Kristina Strain

EXPRESS SCRIPTS:

Hiteksha Patel

DELTA DENTAL:

Crista O'Donnell

ALSO PRESENT:

See last page of Appendix I

APPROVAL OF MINUTES: SEPTEMBER 22, 2025- Open

MOTION TO APPROVE OPEN MINUTES OF SEPTEMBER 22, 2025

Moved: Commissioner Musterel

Second: Commissioner Mallet

Vote: 9 Ayes, 0 Nays

CORRESPONDENCE - None

EXECUTIVE DIRECTOR'S REPORT

FAST TRACK FINANCIAL REPORT - Mrs. Koval began by reviewing the financial fast track report as of August 31, 2025. It was noted that the fund experienced a significant underwriting loss for the month, primarily due to timing of reimbursements, which are expected to be received within three to four months. Despite the current deficit of approximately \$1.3 million in the surplus line, the fund maintains a strong cash position, attributed to timely member payments and prudent investment management. This positive cash flow is expected to sustain operations through the end of the year and into the renewal period.

2026 COASTAL HIF BUDGET -ADOPTION - Mrs. Koval addressed the 2026 budget. She stated that the Finance Committee had previously reviewed the budget, and only minor changes were made, mainly related to assessment decisions. The committee also discussed adjustments for groups with outlier loss ratios, providing credits where appropriate. No special assessments were made for members with injectable medications in their plans; however, this issue will be addressed in the next fiscal year.

Chair Davidson recommended opening a public hearing for the adoption of the 2026 budget, which was subsequently closed with no comments.

MOTION TO ADOPT RESOLUTION 29-25 AND APPROVE THE 2026 SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND BUDGET IN THE AMOUNT OF \$ \$188,877,376

Moved: Commissioner Musterel

Second: Commissioner Yacovelli

Vote: 5 Ayes, 0 Nays

MEDICAL THIRD PARTY ADMINISTRATOR & PHARMACY BENEFIT MANAGER CONTRACTS - A discussion followed regarding the medical third-party administrator (TPA) and pharmacy benefit manager contracts for 2026. Due to constraints imposed by the Office of the State Comptroller, the fund was unable to conduct its usual RFP process. Instead, interim

one-year agreements were negotiated with Aetna and AmeriHealth, resulting in meaningful reductions in administrative fees and improved contractual terms. These changes are projected to generate \$4.25–\$4.75 million in savings across all participating funds.

The Executive Director requested approval of these terms and outlined the next steps for formal acceptance. There were no further questions from the committee.

NEW MEMBERS – Mrs. Koval presented the additions of two new members; City of Vineland and Middle Township Board of Education both effective January 1, 2026. Both entities had completed the required indemnity and trust agreements, and underwriting details were reviewed by the Program Manager, Executive Director, and Actuary. Resolution 30-25, approving these new memberships was presented in the consent agenda.

PROGRAM MANAGER REPORT

Mr. Rich Allen presented The Program Manager reported on ongoing outreach and underwriting activity. As of the meeting date, there were four groups with initial outreach discussions, one group with claims pending, seven under review, and six proposals released. Two groups had been sold, with three more pending final commitment. Fifteen groups were deemed unfavorable due to poor risk. The Program Manager highlighted the continued growth of the fund and the importance of prudent underwriting.

Mr. Corey Allen stated that the wellness update included a review of the 2026 wellness budget and plans. The committee set the grant budget to include all groups, ensuring sufficient funds for wellness initiatives. The Ramp Pilot program with Millville BOE and The Authority will begin October 1, 2025, with plans to expand in 2027. The Advanta ActiveFit+ platform will continue, and the total wellness budget for 2026 is projected at \$500,000. Grant submission dates and amounts for various groups were reviewed, and the committee encouraged all eligible entities to apply.

Mrs. Dortu gave presented administrative reminders regarding billing accuracy, system training, and enrollment procedures. The fund's partnership with Retiree First was highlighted, offering additional support for Medicare retirees. Open enrollment for January 1, 2026, was announced, with updates due in WEX by November 14, 2025.

GUARDIAN NURSES – The Guardian Nurses report covered July 1 to September 30, 2025, detailed the impact of nurse interventions on care quality, member experience, and cost containment. The report emphasized the value of human connection in healthcare and the ongoing commitment to measurable outcomes. Questions were raised regarding the impact of new members on nurse staffing and rate stabilization. It was confirmed that costs for Guardian Nurses and contingency margins are factored into new member projections and the overall budget. The budget allows for flexibility, with a 3–5% margin included depending on group size.

Any budget adjustments exceeding 5% during the year require refiling with the state, and updates will be communicated as necessary.

TREASURER - The Treasurer presented the September supplemental and October bills lists, as well as the August 2025 Treasurer's Report. All vouchers were reviewed and certified, and the fund's cash position remained strong. No questions were raised regarding the Treasurer's report.

FUND ATTORNEY- No report.

AETNA - Aetna's report summarized monthly claim activity, noting a per employee per month claim cost of \$2,414 for August 2025. Eight high-cost claims exceeded \$100,000, totaling \$2,105,962.65. Network utilization remained high, with 97.9% of admissions and 99% of physician office visits in-network. Service center performance metrics met or exceeded goals

AMERIHEALTH ADMINISTRATORS - AmeriHealth's report covered paid claims and enrollment for 2025, with a per employee per month claim cost of \$1,567.99 for September. One high-cost claimant was identified, and customer service metrics continued to meet performance guarantees. No questions were raised regarding either report.

EXPRESS SCRIPTS - Express Scripts provided an overview of pharmacy utilization and costs. Plan costs per member per month increased compared to the previous year, driven by weight loss, inflammatory conditions, and diabetes medications. Specialty drug costs accounted for a significant portion of total plan costs. The top drugs and indications by plan cost were reviewed, with notable increases in weight loss and diabetes medications.

DELTA DENTAL - Absent.

CONSENT AGENDA - Chair Davidson introduced the Consent Agenda.

- Resolution 29-25 (2026 Budget Adoption)
- Resolution 30-25 (New Member Approvals)
- Resolution 31-25 (Approval of October Bills List)
- Resolution 33-25 (Medical TPA)

MOTION: Commissioner Yacovelli

SECOND: Commissioner Musterel

VOTE: Roll Call - 5 Ayes, 0 Nays

OLD BUSINESS: None.

NEW BUSINESS: None.

PUBLIC COMMENT: none.

MOTION TO APPROVE RESOLUTION 32-25:

MOTION: Commissioner Yacovelli
SECOND: Commissioner Musterel
VOTE: **Roll Call - 5 Ayes, 0 Nays**

MOTION TO ADJOURN:

MOTION: Commissioner Yacovelli
SECOND: Commissioner Musterel
VOTE: Unanimous

MEETING ADJOURNED: 1:30:00pm

NEXT MEETING: January 26, 2026

12:30 PM, The Greenvie Inn at Eastlyn Golf Course Vineland, NJ



| Name | Firm / Entity |
|--------------------|------------------|
| Bob Allen | Allen Associates |
| Rich Allen | |
| Corey Allen | |
| Tyler Jackson | AHA |
| Rich Davidson | Millville BOE |
| Rick Alessandrini | AA |
| Joe Medera | Harrington Ins. |
| Shannon Desumme | Harrington Ins |
| Christina Thompson | HIG |
| Scott Duong | CSB |
| Geordi Conner | SHA |
| Jina Murray | Allen Associates |
| Philipspeit | GN |
| Rebecca Leinenman | ON |
| Sarah Durbe | GN |
| Lebeda C. | GN |
| Rich Hallard | Bucca Boro |
| Tom D'Intino | EHT. |
| Mark McNamee | LCMR |
| Jim Rinoway | J.BYRNE AGENCY |
| Tony Wolfe | Allen Associates |
| Tom Kirner | Glenn Ins. |
| Loeserm Venet | Venet & Dinn |



 Southern Coastal FUND

| Name | Firm / Entity |
|-----------------|---------------------|
| New Thompson | Allen Assoc. |
| Timothy Kelley | Ocean City Schools |
| Kristina Strain | AmeriHealth |
| Scott Masten | Vimtal |
| Dawn L. Leney | Bunia Regional |
| June Kelly | Borough of Longport |
| Pat Y. Covell | Bridgeton BOE |
| Christina Hunt | Penns Grove BOE |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

**SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
NOVEMBER 10, 2025
CONFERENCE CALL
12:30 PM**

Meeting of Executive Committee called to order by Executive Director, Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF THE 2025 EXECUTIVE COMMITTEE

| | | |
|--------------------|-------------------------------|---------|
| Richard Davidson | Chair | Present |
| Pasquale Yacovelli | Secretary | Present |
| Jerry Velazquez | Executive Committee | Absent |
| Megan Duffield | Executive Committee | Absent |
| Laurie Ryan | Executive Committee | Absent |
| Scott Musterel | Executive Committee | Present |
| Mark Mallet | Executive Committee | Present |
| Frank Badessa | Executive Committee Alternate | Present |
| Dennis Zakroff | Executive Committee Alternate | Absent |
| Kevin Smaniotto | Executive Committee Alternate | Absent |

PRESENT FUND PROFESSIONALS:

FUND ADMINISTRATOR:

PERMA Risk Management

Emily Koval

Jordyn Robinson

James Rhodes

FUND AUDITOR:

Dennis Skalkowski - Absent

FUND ATTORNEY:

John Carlton

| | |
|-------------------------|-------------------------------|
| PROGRAM MANAGER: | Shared Health Alliance |
| | Rich Allen |
| FUND TREASURER: | Lorraine Verrill |
| AETNA: | Jason Silverstein |
| AMERIHEALTH: | Tyler Jackson |
| EXPRESS SCRIPTS: | Absent |
| DELTA DENTAL: | Absent |

CORRESPONDENCE - None

EXECUTIVE DIRECTOR'S REPORT

Medical Third-Party Administrator Contract Procurement- Mrs. Koval reported on the emergency procurement process for medical Third Party Administrator (TPA) services for the 2026 Fund year. She explained that, following a resolution at the previous meeting, the Fund Administrator, Qualified Purchasing Agent, and attorney were authorized to obtain proposals from Aetna and AmeriHealth through an emergency procurement process. Both carriers submitted proposals, which were included in the agenda materials. Mrs. Koval confirmed that the administrative fees proposed by both Aetna and AmeriHealth fit within the adopted budget, ensuring no impact on the Fund's finances. She emphasized that all terms and conditions would remain unchanged, requiring only an addendum to the existing contract, and that all required pay-to-play forms had been received, ensuring compliance. The administrative service fees for Aetna were set at \$34.30 per employee per month (PEPM), with an estimated annual cost of \$1,936,990, while AmeriHealth's fees were \$39.54 PEPM, with an estimated annual cost of \$680,499.

Mrs. Koval noted that these amounts were reflected in Resolution 33-25, which was presented for approval. She invited questions from the committee, mentioning that representatives from AmeriHealth and Aetna were available online for any inquiries.

Mrs. Koval recommended taking action on Resolution **33-25** separately, which Mr. Davidson agreed to, calling for a motion. Mr. Iacovelli moved to approve, seconded by Mrs. Ryan. With no further discussion, a roll call vote was conducted by Mrs. Robinson, and the motion passed unanimously. Mrs. Koval thanked Mr. Davidson and indicated her report was complete, turning the meeting over to the program manager.

PROGRAM MANAGER REPORT

Program Manager Rich Allen provided an update on new group prospects and requested approval for four new groups to join the Fund effective January 1, 2026. The groups presented

for approval were Somers Point Board of Education (98 employees), Buena Borough Municipal Utilities Authority (10 employees), Mullica Township (41 employees), and City of Northfield (88 employees). Each group's eligibility, coverage lines, retiree coverage, current arrangement, actuarial certification, broker, and claims details were outlined in the agenda. The program manager confirmed that all necessary notices had been executed properly, and implementation was already underway with the carriers and WEX. Mrs. Koval added that the implementation team had begun onboarding the new groups. Mr. Davidson inquired whether there were any issues with the January 1 start dates or with the notice requirements, to which the program manager confirmed that everything was in order. Mrs. Koval clarified that while most new group additions would likely occur in July due to the deadline, February or March starts were possible if needed. Mr. Davidson called for any questions, but none were raised. He then confirmed with Mrs. Robinson that this was item **34-25** and requested a motion to accept the four new members. Mr. Musterel moved to approve, seconded by Mrs. Duffield. After confirming there was no further discussion, a roll call vote was held, and the motion passed unanimously.

Wellness Update

Corey Allen a brief update on the Wellness Committee's activities and deadlines. The committee is preparing for a significant expansion of wellness initiatives in 2026, including the launch of the Ramp Pilot program with Millville Board of Education and The Authority, with plans to expand to the entire Fund in 2027. The grant budget has been set to include all groups, removing the cap to ensure every entity can apply. The Advanta ActiveFit+ program will continue, and the total wellness budget for 2026 is projected at approximately \$500,000. The deadline for wellness grant submissions for a January 1, 2026 start is November 30, 2025, with a second submission date of May 15, 2026 for July 1 starts.

He reminded attendees to request reimbursements for approved wellness expenses and highlighted the positive impact of wellness participation on medical loss ratios. No additional questions or comments were raised regarding the wellness update.

Legislative and Vendor Updates: No Surprises Act Transition

Mrs. Koval referenced a memo included in Appendix I regarding the transition from the Federal No Surprises Act (NSA) to the New Jersey Out-of-Network Consumer Protection, Transparency, Cost Containment, and Accountability Act, effective January 1, 2026. She explained that this change was discussed at the previous meeting and that both Aetna and AmeriHealth had been notified to adhere to the State's NSA provisions. The transition is expected to provide more predictable budgeting and claims management, as the State Act offers a single Independent Dispute Resolution vendor, strict timelines, and set fees, compared to the variable and often delayed processes under the Federal law. Mrs. Koval confirmed that new ID cards would be issued prior to January 1, 2026, with no changes to ID numbers or group numbers. Mr. Davidson acknowledged the update and thanked Mrs. Koval.

Administrative Reminders and Operational Updates

Mrs. Dortu reminded attendees to review monthly billing statements for accuracy and to report discrepancies within 60 days, as retroactive corrections are limited. System training for WEX access is available every third Wednesday, and updated contact information for enrollment and billing issues was provided. The program manager also announced that Retiree First is now available as a resource for Medicare Advantage members, offering support for plan questions, provider outreach, mail order assistance, and billing issues. Open enrollment for January 1, 2026, will be held from October 20 to October 31, with all updates to be completed in WEX by November 14.

Old Business, New Business, and Public Comment

Mr. Davidson asked if there was any old or new business to discuss, or if there were any public comments. No additional items or comments were raised. The meeting concluded with Mr. Davidson confirming with Mrs. Koval that it was appropriate to adjourn. Mr. Musterel made the motion to adjourn, seconded by Mrs. Duffield. The meeting was adjourned by unanimous consent, and Mr. Davidson thanked everyone for their participation. Several participants exchanged holiday greetings before the meeting formally ended.

OLD BUSINESS: None.

NEW BUSINESS: None.

PUBLIC COMMENT: none.

MOTION TO ADJOURN:

MOTION: Commissioner Duffield

SECOND: Commissioner Musterel

VOTE: Unanimous

MEETING ADJOURNED

NEXT MEETING: January 26, 2026

12:30 PM, The Greenvew Inn at Eastlyn Golf Course Vineland, NJ

APPENDIX II

OATH OF OFFICE

State of New Jersey

County of Cumberland

I, _____, do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution of the state of New Jersey; that I will bear true faith and allegiance to the same and to the governments established in the United States and in this state, under the authority of the people and that I will faithfully, impartially, and justly perform all the duties as a member of the Executive Committee of the Southern Coastal Regional Employee Benefits Fund, according to the best of my ability. (so help me God).

Sworn and subscribed to

before me this (26th day of January, 2026)

_____, Esquire

Attorney-at-law of New Jersey

APPENDIX III



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE
OFFICE OF SOLVENCY REGULATION
PO BOX 325
TRENTON, NJ 08625-0325
TEL (609) 292-7272
FAX (609) 292-6765

PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

JUSTIN ZIMMERMAN
Commissioner

November 19, 2025

TO: Southern Coastal Regional Employee Benefits Fund
Attn: Richard Davidson, Chairperson (in care of Brandon Lodics)
Brandon Lodics, Executive Director

FROM: Carolina Chong
Insurance Examiner

RE: 2025 Health Insurance Joint Insurance Fund Questionnaire

The Department of Banking and Insurance ("DOBI") has reviewed the Fund's 2024 audit report.

Please provide responses to the following questions.

Financial:

1. If the fund has a decrease in net position from the prior year or a negative net position in the current year, please explain the cause(s).
 - a) Pursuant to N.J.A.C. 11:15-3.16(b), if the fund has a negative net position, the fund commissioners shall submit to the Commissioner and the Commissioner of the Department of Community Affairs a report of the causes of the account's insufficiency, the assessments necessary to replenish it and the steps taken to prevent a recurrence of such circumstances. As such, please detail the plan to address the cause(s) of the fund's net position and any steps the fund intends to take to prevent the circumstances that resulted in the negative net position.
 - b) If the fund is in a negative net position and intends to increase the annual assessment, please explain the actuarial methodology that was used to develop the rate increase.
 - c) If the plan does not include any planned supplemental assessments or interfund year transfer, please explain the rationale for this position.
2. If the plan does not include an increase for the subsequent annual assessment, please explain the rationale for this position.

3. Has the fund returned dividends/refunds to members in the past three years? If so, please detail.
4. If a member has not paid an assessment, what are the fund's process to follow up with the member?
5. Do the fund's bylaws include requirements for payment of supplemental assessments for departing members? If so, please detail.
6. How does a fund's supplemental assessment or interfund year transfer impact the ability of the fund to compare rates for the subsequent policy year? Are the fund commissioners and members aware of the fund's net position in time to appropriately analyze proposed rates for the subsequent policy year?

Governance:

1. A. Pursuant to N.J.A.C. 11:15-3.6(e)3, please provide the applicable documentation as of January 1, 2025. Copies of the fund's prospective and executed agreements or contracts, and any renewal or new agreements or contracts with any administrator, servicing organization or program manager. Such agreements or contracts shall specify the duties of, and the compensation to be paid to, each such entity. Copies of the above shall be accompanied by a list of all parties having or deriving any interest, right or benefit in the servicing organization, program manager or administrator, as well as any services to be performed which are subcontracted. **Provide current agreements or contracts – do not provide Exhibit A.**
B. In addition to A above, to the extent the terms and conditions of any renewal agreement or contract and the parties thereto remained unchanged from prior years, please indicate when the original agreement(s) or contract(s) were established.
2. A. Pursuant to N.J.A.C. 11:15-3.6(e)10, please provide a completed and updated Exhibit B for all senior officers and directors of the administrator and servicing organizations providing services to the fund in 2025. **Do not provide Exhibit C.**
B. In addition to A above, to the extent the information contained in the data forms remained unchanged from prior years, please indicate when the original data form(s) were completed.

Please email the Fund's responses to carolina.chong@dobnj.gov by December 5, 2025. If there are any questions, please feel free to contact me. Thank you.

Copies to: David Wolf, Aileen Egan, William Leach [DOBI]
 Michael Rogers, Nick Bennett [DCA]



Date: December 12, 2025

To: Ms. Carolina Chong, Department of Banking and Insurance, Insurance Examiner

Re: Inquiry of November 19, 2025, on the Southern Coastal Employee Benefits Fund Benefits Fund financial position through 12/31/24

Dear Ms. Chong,

The Southern Coastal Employee Benefits Fund (the “Fund”) is in receipt of your November 19, 2025 correspondence inquiring into the Fund’s financial position through December 31, 2024. Below are the Fund’s responses to your inquiry.

1. a) As of September 30, 2025, Fund Year (FY) 2024 is running at surplus deficit of \$2,185,433.. The Executive Committee has reviewed the challenges that the Fund saw in 2024, some of which occurred in 2025, affecting the 2024 surplus position.

The following challenges surfaced, particularly in the second half of 2024:

Large Hospital Contract Negotiations – Aetna and AmeriHealth both had contract negotiations in the Coastal region. Although the actual contract increase is proprietary, the Fund’s financials have seen an increase in facility claim payments.

The number of high-cost claimants exceeding \$100,000 (but under the specific retention MRHIF level) were greater than what has been realized in prior years. These claim costs are borne solely by the Fund with no reimbursement from the MRHIF. The Coastal HIF saw 8 high claimants over the specific limit of \$475,000 in 2024.

Inpatient Hospital Stays increased substantially and contributed to 22% of the medical spend in 2024. The frequency and costs are up dramatically from prior years. Some of this is related to the large claims noted.

GLP-1 Utilization (weight loss drug) for non-type II diabetic care has increased dramatically over the past year(s). The impact of GLP-1s for weight loss has contributed to an estimated 50% of the 2025 prescription increase. These drugs are

expected to be approved for additional indications, which will likely continue to drive increased prescription costs. Although a cost containment program was adopted in 2024 which should help reduce some of the costs borne by the Fund, it will not completely reduce utilization and cost.

No Surprises Act Claims - In addition to utilization and unit cost increases, claims resulting from the Federal Government's No Surprises Act (NSA) had a significant impact on the Fund's financials in the second quarter of 2025, for claims that were incurred in 2022-2024. Out of Network claims originally processed and included in the Fund's experience used by the Actuary to project the 2023, 2024 and 2025 budgets did not include the unforeseen NSA awards. NSA awards arbitrated years after they were incurred, were reprocessed at a much higher amount in 2025. The additional awards that the out-of-net network providers received were not considered or trended forward in these budgets. Starting in 2026 the Fund will be subject to New Jersey surprise billing system to mitigate the impact of the significant arbitration awards resulting from the federal system) The Fund did not elect to increase the annual assessment in 2024.

- b) The Fund did not elect to increase the annual assessment in 2024.
- c) The Fund will continue to monitor the financials after the closing of the 2025 Fund year. The 2026 Budget includes a surplus regeneration line to help offset prior deficits.

2. To determine the FY 2024 budget, the Fund Actuary used data through June 30, 2023, and recommended a medical increase of 7.2% and prescription of 19.7%. Claim increases began to surface in the second half of 2024, after the budget had been adopted. Accordingly, the Fund did not elect to do a subsequent annual assessment and included surplus regeneration in the 2025 and 2026 budgets.

3. The Fund has not returned a dividend or refund in the past 3 years.

4. The Fund would typically reach out to the treasurer within the first quarter of the following year for any assessments that were missed or address discrepancies. The Treasurer would be responsible for following up and recovering the outstanding assessments from the member entities.

5. Yes, the below excerpt has been pulled from the Fund bylaws to address surplus/deficits for terminated members:

A member that has been terminated or does not continue as a member of the Fund shall nevertheless share in any surplus in the appropriate trust accounts for that Fund Year pro rata according to its participation and remain jointly and severally liable for claims incurred by the Fund and its members during the period of its membership, including, but not limited to, being subject to and liable for supplemental assessments.

Prior to the conclusion of the Fund's current fiscal year, the Fund shall provide written notification to a member that has been terminated by or withdrawn from the Fund, of the estimated surplus or estimated supplemental assessment for which the member may share or be liable pursuant to 4 above.

6. The Fund has never issued a supplemental assessment. The Fund Commissioners and members are aware of the Fund's net position through monthly financial reports delivered in the Fund meetings and distributed to all members. The Financial reports include cash and surplus positions for all Fund Year.

We continue to closely monitor the Fund's financial position and will escalate efforts if necessary to ensure the continued strength and liquidity of this HIF.

As for the governance, attached with this letter is a listing of the Fund professionals and their contract and bio form status. The completed documents are also included in a zip file. If there is a missing document due to a delay in a signature or legal review with the vendor, we will be diligently following up and expect to have all outstanding documents filed with DOBI by January 31, 2026.

Please let us know if you have any questions on the above response.

Respectfully submitted,

Emily Koval

Associate Executive Director

Cc: Aileen Egan, Manager
William Leach, Supervising Insurance Examiner
Nick Bennett, Regulatory Office
Rich Davidson, Fund Chair
John Carleton, Fund Attorney